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WARTIME WORK PROGRAM

OF THE

BUREAU OF AGRICULTURAL ECONOMICS

UNITED STATES DEPARTMENT OF AGRICULTURE
Washington, D. C.
January 1, 1942

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TO ALL MEMBERS OF THE BUREAU OF AGRICULTURAL ECONOMICS:

The program of work for the Bureau of Agricultural Economics for the months immediately ahead is set forth in the attached document. A definite program of work has been outlined, insofar as it has been possible in this time of rapid change to foresee (1) conditions that will affect agriculture; (2) the direction that government programs relating to agriculture probably will take; and (3) the functions of the Bureau as the economic and social research agency and planning center for the Department of Agriculture.

In any emergency, the Bureau has had to shift its work to some extent as the specific problems facing the Nation have changed. In the past this shift has been accomplished sometimes by redirection of work and sometimes by giving priority to work needed as a basis for immediate government action. However, during the war in which we are now engaged, when the goal of every American is to win the war as quickly as possible, an even more radical shift in the emphasis of the Bureau's research and planning activities is necessary.

In working out a revised program for the Bureau and for each Division, we have tried to use fully in this emergency the capabilities of the members of the staff and the extensive storehouse of knowledge that the Bureau has accumulated over many years. Under this program, therefore, we are not starting from scratch. The program does involve, however, a change in the character of the work of many individuals in the Bureau. Some lines of work in which we have been engaged are not the most pertinent under war conditions and must be subordinated or curtailed for a time so that greater emphasis can be given to problems growing directly out of the war.

In most cases this redirection requires curtailment of specialized lines of work. Many individuals are being asked to make contribution to broader problems than the ones on which they have been working during the past few years. Sudden and extensive shifts in the place of agriculture in our national life make it necessary for the Bureau to deal with broad problems that will tax the combined resources of many Divisions.

In setting forth this program, it is necessary to point out that it is not fixed: It will fluctuate with new demands placed on us by the government and with the changing fortunes of war. The Bureau is eager, therefore, to have every professional man give his best judgment from time to time as to the content and the direction of our work as it develops in the future.

Moreover, while it is wise to distinguish between war, post-war, and maintenance activities, so that our objectives can be clarified and the tasks to be undertaken can be determined precisely, it is a mistake to assume that separate personnel will be working in these three fields. In a great many cases, the same individual who is working on a particular problem of immediate wartime importance will also be best qualified to deal with that problem in its post-war setting.

It has been our objective to develop a program in which each scientist can make his maximum contribution to the task of helping to win the war. In a very real sense, this program challenges every individual to demonstrate the value of the work in which he is engaged. The determination of the value of any line of work within the Bureau will be established by the contribution we make to the development of programs that will enable us to win the war and to maintain the economic welfare of our people after the war.

Successful operation of the Bureau's program requires whole-hearted and ready cooperation with other agencies of the government and a complete disregard of bureaucratic interests. Similarly, within the Bureau we must ignore jurisdictional lines; we must work together on our common tasks with a minimum of attention to divisional and other administrative lines. It will not be easy to carry out our program successfully. We can do this job only if we realize that we are civil servants -- hired by the American people to aid in solving those problems of most concern today to them.

H. R. Toeller

Chief

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WARTIME WORK PROGRAM

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BUREAU OF AGRICULTURAL ECONOMICS

In outlining the program of the Bureau of Agricultural Economics for the coming months, first priority has been given all lines of work that make significant contribution to winning the war. Second priority has been given those lines of work that will make a practical contribution to the solution of major problems of the immediate post-war period. Certain research maintenance activities also must be continued to enable the Bureau to meet future responsibilities, which we cannot now foresee.

The Bureau of Agricultural Economics can make many significant direct contributions to the war effort: American agriculture must produce and aid in properly distributing food and fiber needed by our nation and by our allies, and must provide raw materials essential to our industrial production program. The Bureau's first task, therefore, is to help agencies within or without the Department to plan the production and distribution of these strategic agricultural commodities. Closely associated with production and distribution of agricultural commodities is the task of aiding in developing a sound program of price control.

On the other hand, the Bureau can make many contributions to other phases of war effort over which the Department of Agriculture does not have immediate administrative responsibility: Farm people are serving in increasing numbers in our military forces and in industrial plants, and farm people are bearing their share of the war's costs. To speed up this participation of farm people in our war effort, officials of many agencies that direct national programs already are calling on the Bureau for information and advice.

To maximize the Bureau's contributions to the winning of the war, the following program has been developed:

I. War Activities of the Bureau of Agricultural Economics

A. The Bureau's Contributions to the War Program of the Department of Agriculture

1. The Production Program

a. Establishment of War Production Goals

The Bureau has been requested by Secretary Claude R. Wickard to take the leadership in formulating national wartime goals for the production of needed agricultural commodities. Formulation of these goals is a department-wide effort in which Bureau representatives will work with commodity, marketing, and credit experts of other agencies.

National wartime production goals must be established on the basis of estimates of domestic and foreign requirements, and in the light of existing supplies of these agricultural commodities and the country's capacity to produce additional supplies. To avoid dangerous shortages, it will be necessary to anticipate as far as possible shifts in the requirements of our nation or our allies. Accordingly, estimates must be prepared continually of the food and fiber and other agricultural commodities needed for domestic consumption, for lend-lease shipment to our allies, for other foreign shipments, and for building war reserves. The Bureau's task is to give special attention to the production of essential commodities formerly imported from foreign countries.

These estimates of requirements must be carefully reviewed in terms of the nation's capacity to produce under conditions of likely returns to producers; shortages of farm labor, machinery, and fertilizer; present and possible credit arrangements; and processing, marketing, and transportation facilities. In formulating national goals, the ability of each region and local area to increase production must be considered.

The Bureau's work in this field does not end when the goals for one year have been established. Throughout the year, it will be necessary to re-examine these goals in the light of changing conditions.

b. Obtaining Required Production

To obtain the information essential to the formulation of national production goals, especially in an effort to make the maximum possible contribution to the achievement of these goals, the Bureau will: (a) Make estimates showing a desirable distribution of increased production required among regions, states, and local areas according to their potential productive capacity and the rapidity with which that capacity can be utilized: (b) Determine the character of obstacles that prevent farmers from increasing production, and assist in formulating measures that can be taken to achieve desired goals.

The Bureau's contribution to this task is largely a field research and planning operation. Bureau representatives, in cooperation with state and local groups will cooperate in distributing national production goals, and in determining what further expansion of production is feasible under existing conditions. In obtaining this increased production, every effort will be made to protect soil resources, to employ credit wisely, and to utilize effectively scarce resources such as manpower, farm machinery, fertilizer, and processing facilities. Whenever increased

production in an area is contingent upon increasing the local farm labor supply, employing farm machinery, providing credit, or developing processing, marketing or transportation facilities, agencies that are authorized to deal with these situations will be informed. Considerable effort will be required to meet difficulties arising from shortages, either local or national, in supply of farm labor.

2. Distribution Program

A second major contribution that the Bureau can make to the war effort is to carry on work in the field of marketing and commodity distribution that will aid in the efficient movement and distribution of agricultural commodities to domestic consumers and to our allies or armies in other parts of the world. To accomplish this, a carefully thought-out and well-rounded program of marketing, storage, processing, and transportation must be developed along with the production goals program.

The current war situation demands that attention be given to a range of marketing and distribution problems connected with the production goals program of the Department, including consideration of the markets available to farmers in areas where surplus quantities of foodstuffs are not ordinarily grown, and of facilities and requirements for food processing, preservation, and concentration for all commodities or in all areas where production is being appreciably increased. This work will be carried on in close cooperation with other agencies of the Department and the members of the Bureau working on the production program.

As the war continues and as price control measures are adopted, numerous problems in the marketing field will become increasingly important. There may be increasing pressure to reduce or control margins, and it may be necessary to know what farm-to-market margins are, what they are composed of, and to what extent they can be regulated. Attention also will be given during the next six months to the methods used by governmental agencies in acquiring the food and other agricultural supplies, and to their effect upon prices, margins, supplies available to civilians, and future production. A study is also being undertaken of ways of reducing waste.

Work in the transportation field has become increasingly important. Already the railroads are asking for a general increase of 10 percent in freight rates, and increased carloadings, together with shortages of men, trucks, and tires in the trucking field, mean that continuing work in the whole transportation field will be needed if steps are taken to insure that adequate transportation is available for agricultural commodities at a reasonable cost.

There are two other general problems in this field that are also extremely important. If the direct war effort continues to absorb an increasing number of men and amount of equipment, a whole series of questions will arise as to how our marketing system can be so reorganized as to do away with unessential services and to obtain maximum utilization of the men and equipment retained. And, as increasing amounts of food are sent to our allies and the difficulties of maintaining and increasing agricultural production grow, a series of questions relating to wartime food control may confront us.

3. Price Control

Price control of agricultural and industrial commodities is so intimately related to all programs of the Department of Agriculture that the Bureau will have definite responsibilities in this field. It will be necessary to:

a. Determine parity or "comparable prices" for all or nearly all agricultural commodities, rather than the few determined at present. Comparable price determinations have not been made for many fruits and vegetables because necessary data for 1910-1914 are not available, conditions of production and consumption have materially changed, and the 1919-1929 base used in calculating parity for marketing agreement purposes apparently cannot be used for purposes of the price control measures contemplated under the present bill. Accordingly, the Bureau of Agricultural Economics must carry its share of this work, together with other agencies, such as the Agricultural Marketing Service, the Agricultural Adjustment Administration, and the Commodity Credit Corporation.

b. Determine, for these farm products for which ceilings may be established, the market price equivalents of parity or comparable prices in the leading primary or wholesale markets. Adjustments for market location, grades of commodities and season are essential to a proper determination. Experience and data compiled in making similar calculations qualify the Bureau for extensive participation in this activity.

c. Interpret, in terms of effects on agricultural prices, income and production, the ceilings and schedules imposed on agricultural commodities and products. As a part of this function, the Bureau has the responsibility of correlating and balancing the interests of farm groups on the one hand, with those of the national economy on the other hand.

d. Expand the study of the relationship between wholesale and retail prices for agricultural commodities and the products thereof. When price control regulations are applied in the central markets, retail prices will be studied to determine

if considerable differences develop between wholesale ceilings and prices paid by consumers. Exploratory work also is being undertaken on the question of controlling retail prices and on the problem of wartime food controls, and other supplementary approaches to price control. If consumer purchasing power increases significantly faster than the supplies of the commodities, some type of food control may be used to reinforce or supplement price control.

4. Obtaining the Participation of the Farmer.

If the nation is to insure increased production of required agricultural commodities and support for other phases of the war program, it is essential that farmers understand and subscribe to the objectives of the Nation's program. In order that the Department of Agriculture may be able to take effective steps in presenting its program to local groups and in adapting it to local situations, it will be necessary first of all to determine for specific areas the character of any barriers to full participation. This information will be obtained through: (a) Surveys of farmer reaction to the production program and other phases of the war effort, and (b) Analysis of conditions determining farmer participation in the war program. On the basis of information derived from these two sources, recommendations can be made regarding the procedure to be followed in setting up the nation's war program in various problem areas.

To help farmers understand national objectives and to aid in resolving farmers' fears of the future, the Bureau has three activities: (1) Help to complete the organization of county planning committees throughout the Nation. Through these committees, farm people will be able to join directly in planning both the local and national war effort, and in so doing become an integral part of the program. These planning committees will be organized, as they have been in many areas, on the basis of natural neighborhood groupings. (2) Hold meetings in many sections of the country to enable farmers and the field representatives of agricultural agencies to discuss the war program in terms of broad national peace and postwar objectives. (3) Write and distribute appropriate popular leaflets that deal with major war problems.

B. The Bureau's Contribution to Other Phases of the War Effort

1. Facilitating Industrial Production

In addition to the contributions that the Bureau can make to the war program of the Department, it has a great many contributions to make to other phases of the war effort. During the past year the Bureau has given information to the Office of Agricultural Defense Relations and to the Office of Production Management regarding the location of new defense plants in rural areas. This work will continue to be of importance , inasmuch as industrial facilities for the production of military supplies will be greatly expanded soon.

This work will be directed primarily to (a) determining the location, skills, number, and mobility of agricultural labor surpluses that can be drawn into the industrial production program and (b) examining the effect of the location of defense plants at rural sites upon the local agricultural production, especially the production of dairy and poultry products, fruits, and vegetables.

As the armed forces and the industrial and agricultural programs absorb more and more trained workers, increased attention must be given to the development of vocational training programs in rural areas where such programs are most urgently needed. Information regarding the need for vocational training and the adequacy of present programs will be placed in the hands of those agencies administering the present educational efforts of the government.

2. Development of National Fiscal and Credit Policies

Agriculture has a vital interest in the development of wartime fiscal and credit policies. The Department of Agriculture is asked constantly to review proposed taxation measures and credit policies. Information and advisory aid is requested frequently by other agencies of government and by members of Congress. This is particularly true of agencies concerned with the regulation and supervision of the activities of rural banks and of private lending institutions engaged in extending credit to farmers. To facilitate this advisory aid, the Bureau will undertake to analyze, in advance of specific requests, major taxation and credit proposals in terms of their effect on agriculture and their effectiveness in attaining their objectives as far as rural people are concerned.

3. Miscellaneous

Many government agencies recently set up as a result of emergency needs, direct a constant stream of requests to the Bureau for special information and aid.

The assistance that the Bureau gives these agencies is in a variety of fields: The Office of the Coordinator of Information and the Office of Facts and Figures obtain much needed data analysis regarding agricultural production, the food situation in the United States, and our ability to supply foreign nations with food; the Office of Price Administration calls for price data on agricultural commodities; the Supply, Priorities and Allocations Board requests data upon which it can make agricultural allocations of limited materials; the Office of Civilian Defense seeks technical assistance with its projects, such as rural fire protection; the military authorities are given advice in such extreme fields as deferment of farm labor from selective service and location of Army camps; and various

agencies concerned with control of foreign trade receive analyses with respect to agricultural exports and imports and to international trade agreements.

II. Post-War Planning Activities of the Bureau of Agricultural Economics

As a result of the press of war work, the Bureau at this time can undertake work in only three subject matter fields of post-war planning. Restriction of work to these fields does not imply that a somewhat borader scope of activity would not be desirable. In fact, the scope of the work of the Interbureau Committee on Post Defense Planning and the subject matter coverage of the discussion groups sponsored by the Division of Program Study and Discussion extends beyond these fields. It does appear under the circumstances, however, that the following activities are most desirable:

A. The Post-War Pattern of Agricultural Production and Distribution

Before it is possible to plan for post-war agriculture, it is necessary to develop a set of assumptions regarding the likely demand, supply, and channels of distribution for agricultural commodities following the emergency. At this time it is possible to foresee only the broad outlines of post-war agriculture. It is important, however, that an effort be made to outline likely post-war development. Accordingly, a study is being undertaken in this field.

In developing alternative assumptions on which the study of post-war agriculture must be based, factors such as the possibility of a national nutritional program with adequate food distribution among all income groups; the probability of temporarily feeding some parts of nations impoverished by the war; the development of international trade agreements, particularly with reference to surplus crops and hemispheric solidarity; and the best use of markets, transportation systems, and storage and processing facilities developed during the war effort. This work will be carried on in cooperation with other agencies in the Department.

B. Employment Opportunities and Requirements in Post-War Agriculture

The second major post-war field in which the Bureau will engage, in cooperation with other agencies, comprises, first, a determination of the character of a public works program that should be developed after the war; second, an evaluation of proposed and possible projects; and, third, a determination of employment and settlement opportunities within agriculture.

Post-war public works must be related to needed long-time adjustments and requirements of the agricultural economy of the local area. At the same time, this program must be technically

sound, well financed, and properly administered. These considerations will require the Department to plan specific projects against the background of the localities and areas concerned.

Although there are definite limitations to the number of families that could utilize new lands for farming after the war, there are areas in the Mississippi Delta, the Florida Everglades, the Pacific Northwest, and the Cumberland Plateau that could be farmed after proper development. Accordingly, the Bureau will continue its studies of these areas and formulate measures for directing settlement. At the same time, settlement opportunities in small areas in other regions will be examined.

C. Developing Industrial Employment Opportunities

As a result of the war emergency, a number of industrial plants that employ thousands of workers are being established in rural areas. At the same time, however, many small rural manufacturers have been forced to suspend production due to scarcity of raw materials, machinery, and other essential equipment. The net result of these developments has been the growth of quite a different distribution of employment opportunity than existed prior to the war. At the end of the emergency, many rural areas may suffer sudden and extreme dislocations unless steps are taken to explore and develop industrial production opportunities alternative to those now provided under the war program.

An effort will be made, therefore, to determine, insofar as possible, the rural areas that will face serious industrial employment problems following the war. During the next six months, several of these areas will be studied in detail to determine to what extent these rural workers can likely find employment in their locality in: (a) War plants that are converted to peacetime production; (b) newly developed industrial plants, particularly those utilizing agricultural raw materials; and (c) newly created employment opportunities in agriculture.

III. Service and Research Maintenance Activities

To continue to function at all times as the research and planning agency for Agriculture, it is necessary for the Bureau to maintain certain basic service and research activities. Due to the wide variations in the character of this maintenance work, it is not possible to attempt a Bureau summary. In general this work falls into five types: 1. Fact-finding and reporting activities; 2. completion of specific projects already extensively under way; 3. study of research techniques and planning process; 4. special assistance to action agencies; and 5. maintenance of a framework of research and planning reference. At the end of the statement of the work

program of each division is given a summary of work falling in this field.

The service and research maintenance activities of the Bureau must be reviewed critically during the next six months and steps must be taken to insure that the Bureau continues necessary basic maintenance work.

These are the main lines of the Bureau's activity for the months just ahead. All divisions of the Bureau can make contributions to some parts of this program. The divisions involved in these parts are expected to work together with only as much attention given to division lines as is necessary to provide guidance and administrative service to the personnel engaged in the various lines of work.

Statements of the contributions each of the divisions is expected to make to our "total" effort follow.

STATISTICAL AND HISTORICAL RESEARCH

The Division of Statistical and Historical Research is the Bureau's source of data and analyses with respect to demand for and supply and price of agricultural commodities. Accordingly, practically all of the Division's work is geared to the war effort of this country. Its work in the price and income fields has enabled the Division to help the Department establish and revise production goals, to deal with problems in securing desired production, to contribute to the solution of distribution problems, and to a multitude of questions arising from considerations of price control. At the same time, the Division devotes a part of its time to providing price and income data constantly employed in analyzing the agricultural situation. Because of the nature of the work of this Division, it is highly essential to maintain the framework of its research efforts so that future data that this Division is asked to compile and assemble can be quickly prepared and made available.

A. Commodity Price Analysis

Work in the general field of commodity price analysis is organized around nine fields of specialization, each of which involves three types of work: current analysis and outlook, major research projects, and service. For each field, at least one monthly situation report is issued except for the quarterly "The Tobacco Situation", and the annual "The Sugar Situation". These situation reports contain an analysis of the current situation and outlook, as well as statistical tables. In some instances, the statistical tables include data published elsewhere but organized in the situation report in such a way as to be most useful to persons interested in the particular commodity. In many instances, however, the statistical tables in the situation reports are a vehicle for releasing original data.

Because the major research projects and service work of the various commodity men differ widely, each project is discussed below:

1. Livestock and Wool

Establishment and revision of goals for livestock slaughter in 1942 and the problems connected with achieving those goals take considerable time. Other problems that have been or are requiring attention are: price controls, the wool situation created by the war, lend-lease shipments, imports and supplies of hides and leather, and processing capacity in the meat-packing industry.

2. Diary Products

Practically all work in this field consists of writing the situation report and preparing statistics relating to the establishment, revision, and achieving of production goals. In connection with these goals, three problems can be mentioned that illustrate the types of problems now being studied: (1) Requirements for equipment in expanding capacity of the dairy manufacturing industries and priorities for such equipment, (2) methods and costs of supporting prices of dairy products at levels necessary to achieve the desired production, and (3) the development of regional dairy production feed-price ratios as analytical tools.

3. Poultry and Eggs

Supporting the prices of chickens and eggs at 85 percent of parity presents a number of problems. Work is being done on the problem of determining market prices for various grades of poultry and eggs, which are equivalent to the parity farm prices, and on methods and costs of supporting chicken and egg prices at desired levels.

4. Fats and Oils

The fats and oils import situation and methods of increasing domestic production of soybeans and peanuts are now extremely important, and are receiving close attention. Increasing domestic output of soybeans and peanuts for oil involves not only considerable readjustment in agricultural production, but problems of processing and marketing as well. Recently estimates also have been made of the cost of supporting soybean and peanut prices at levels necessary to obtain desired production.

5. Feed Grains

In comparison with other commodities, the feed grains present few unusual problems at the present time. Considerable work has been done on the establishment of production goals for the feed grains and a study now is being made of the marketing and price control problems connected with achieving the goals.

6. Cotton

Most of the work on cotton consists of service contributions to government agencies. Chief problems are utilization and needs for cotton in the defense programs, price controls on cotton goods, and the price movements of raw cotton. Work also is being carried on in minor fibers, such as hemp and jute, with the Interbureau Fiber Committee.

7. Food Grains

The current situation and outlook for wheat, rice, and rye is analyzed in the monthly "Wheat Situation". At the same time, the Division gives considerable time to assisting in international wheat consultations and to service work for several government agencies.

8. Fruits and Vegetables

Current work on these commodities is devoted to: (1) Preparation of two monthly situation reports, one on fruits and one on vegetables; (2) statistical work on revision of production goals; (3) the problem of achieving production goals for processed vegetables; (4) the present sugar situation and outlook; and (5) service work to several government agencies in connection with goals, price control, lend-lease shipments, supplies and stocks of fruits and vegetables, etc.

9. Tobacco

A study recently has been begun of the effects of the war and the production goals on tobacco production. Two starting points are: (1) The farm labor situation as it affects tobacco, and (2) competition between peanuts and tobacco for land and labor and possibilities of shifting from tobacco to peanuts.

B. Income Parity Estimates

Preliminary results of this study already have been released, but a number of sections of the study are not yet completed. Others require analysis in preparation for publication. The status of these sections is discussed below. When the various sections of the study are completed, it will be necessary to combine them and to interpret the results. The Division also contemplates making a general survey and evaluation of the parity concept.

1. Farm Income

a. Income from hay - completed except for a few necessary revisions.
b. Income from citrus fruits - completed except for an analysis of the factors affecting such income, and addition of 1941 data.
c. Income from sugar crops - completed except for an analysis of the factors affecting such income, and addition of 1941 data.
d. Income from dairy products - completed and about to be submitted for publication.
e. Income from dry whole beans - computations completed, but analysis and text not yet prepared.
f. Income from forest, greenhouse, and nursery products - new Census data require extensive revisions.

2. Expenses of Productions

Several items in this series need revision or checking against new Census or other data. They include:

a. Expenditures for feed.
b. Expenditures for seed and nursery stock.
c. Expenditures for containers and insecticides.

3. Income of Nonfarm Population

Preliminary results of this work have been published, but some revisions may be necessary and a textual presentation of concepts and methods must be prepared. It is also important to keep these estimates up to date to study the effects of war and post-war readjustments on the income of the nonfarm population.

4. Income of Persons on Farms From Sources Other Than Agriculture

Except for new data from the 1940 Census, all available information is in order. But analysis of the results, including comparison and appraisal of the several sets of data, will not be completed for another month or two.

C. Current Estimates of Farm Income and Expenses

Apart from their use in the study of income parity, the Division believes it is important to continue the various series on farm income and expenses as measures of the economic well-being of farmers. Cash and gross income by commodities on an annual basis, and total cash income on a monthly basis, are currently estimated and published for each State. For the United States as a whole, in addition to cash and gross income, annual estimates of production expenses and net farm income are prepared. Considerable work will be necessary soon to analyze 1940 Census data, to revise the estimates of income and expenses, and to tie them into the new Census base.

Some information is already available on which an apportionment of production expenses by States could be based, and new Census data will provide additional information. It is planned to develop estimates of production expenses by States, thus making possible State estimates of net farm income. These will provide much better measures of the relative well-being of farmers in the several regions and States than are now available.

In addition to providing the basis for determining net farm income, current estimates of production expenses, which are based on volume and prices of commodities and services used in farm production, will be of value in estimating the adequacy of production facilities available to farmers.

D. Analysis of Changes in Distribution of Purchasing Power and Their Effect on Civilian Demand

New information from the 1940 Census on distribution of income by size, together with similar information already available for 1935-36, will be used: (1) To develop estimates of current and prospective changes in the size distribution of incomes for farm and nonfarm families; (2) to analyze the effect of changes in national income from various sources on the size distribution of income; and (3) to determine the patterns of consumer spending at different levels of family income, particularly with relation to food expenditures. The results will be of value: (1) In forecasting probable civilian demand for food and other consumption goods; (2) in showing the amount and location of purchasing power in excess of supplies available at fixed prices; and (3) in providing essential information for civilian rationing.

This project is combined with the following one, "Estimates of Food Requirements", in estimating and allocating costs.

E. Estimates of Food Requirements

Estimates of quantities of different foods required by farm and non-farm civilian groups at different income levels and by military personnel are needed in conjunction with information on production and stocks and on standards of adequate nutrition: (1) To fix production goals; and (2) to allocate available supplies as between military needs, domestic civilian consumption, lend-lease requirements, and adequate reserves.

F. Getting Ready for Price Controls

Imposition of price ceilings on a large number of commodities, both agricultural and nonagricultural, has created a number of problems with respect to demand for agricultural products, over-all level of prices paid and received by farmers, and techniques of price controls of farm commodities. A major project now is under way to determine, for several commodities, the market prices for particular grades that are equivalent to parity farm prices. In connection with this is a statistical study of differentials in prices between grades of a particular commodity.

Outlook for demand and prices is being studied with special consideration for the effects of fixed prices, priorities, rationing, taxation, and war financing on demand for and prices of articles farmers buy.

G. Historical Approach to War and Post-War Problems of Agriculture

The Agricultural History Section of the Division is now working on several studies relating to the effects on agriculture of price controls, licensing, and other government actions during World War I, as a basis for aid in determining policies in World War II. The separate studies are on the dairy industry, fertilizer, machinery, and hogs and pork products. Reports on most of these should be ready about the end of the fiscal year.

A publication on priorities, price control, and conservation during World War I now is in process of publication. At the same time, the Division is studying available records regarding the Food Administration and the frontier in Latin-America, which may have significance in understanding post-war Latin-American relations.

H. Development and Application of Statistical Techniques

The consultative services of this Division on statistical techniques are made available not only to other Divisions within the Bureau, but generally to the Department and other government agencies. The Division continuously studies technical statistical problems, so that present techniques can be improved and new ones devised.

I. Estimates of Consumption of Agricultural Products

In this connection, consumption of agricultural products is estimated and analyzed. Most of these data, prepared by commodity specialists, appear in "The Food Situation".

J. Information Service to the Public and to Other Agencies

The work of the Statistics Service Section of the Division consists of tabulating and processing statistics from preliminary sources, maintaining files of statistical series on domestic and foreign products, imports, exports, stocks, prices, income, and business conditions; furnishing statistical data to other sections within the Department and to other agencies; and preparing answers to correspondence.

FARM MANAGEMENT AND COSTS

As the research division of the Bureau engaged in studying the production problems of areas and individual farms, the Division of Farm Management and Costs is in a position to take a major role in aiding in the development of the Department's production program. Its data on the potential productive capacity of regions, States and local areas serve as part of the basis for: formulating national production goals; recommending a desirable distribution of these goals among regions, States, and counties; and aiding farmers to achieve this projected production. Toward these ends, estimates are made of prospective availability and probable cost of labor, machinery, credit, fertilizer, and other materials used in farm production, and a study is made of various farm practices and of ways of increasing production efficiency.

I. WAR ACTIVITIES

A. War Production Goals and Their Attainment

At the time production goals for 1942 were developed, the Department of Agriculture was faced with an emergency situation. Need for promptly marshalling farmers behind a program of increased production to meet emergency lend-lease requirements and a rapidly expanding domestic demand precluded giving adequate consideration to different farming regions, areas, and groups of farms in setting up the goals announced in September, 1941.

With more time available for determining production goals for 1943, further consideration needs to be given to immediate and longer-time farm adjustment problems of each region, area, and farm. Judgments on these problems are required from State and County Agricultural Planning Committees and Defense Boards, State Experiment Station and Extension workers, and State and regional representatives of the Department. The Division's primary task in the production goals program is to identify and promote the understanding of farmers' problems that is needed to insure wise distribution and subsequent achievement of production goals on individual farms throughout the country.

Regional and national reports will be prepared from information that will be collected, summarized, and analyzed at local levels. In field work under this project the Bureau will proceed to:

(1) Assemble for each county estimates of the feasible production of farm commodities in 1943, which when summarized, regionally and nationally, can be used with other available data to insure distribution of 1943 production goals according to potential productive capacity and the rapidity with which this capacity can be utilized.

(2) Obtain suggestions on how changes and aids in production to meet goals can best be effectuated, and also how group or public action may facilitate the attainment of goals.

(3) Facilitate and obtain widespread objective discussion among farm people of agriculture's war program.

A working committee will include representatives from the Divisions of Farm Management and Costs, State and Local Planning, Land Economics, Farm Population and Rural Welfare, and Agricultural Finance within the Bureau; and the Federal Extension Service. Work with other Department agencies also is anticipated, and, as different problems arise through the planning process, cooperation will be sought from specialists in appropriate branches of the Department.

Several Divisions have distinct contributions to make. The Division of Land Economics is planning to contribute the time of several men in the field, where it is hoped that the Bureau will have at least one technical leader in each State working from field offices of the Bureau. Special problems of several types can be approached by the Bureau at national and local levels. Among these are financing problems involved in achieving beef and dairy products goals without endangering farm and ranch resources; marketing problems, such as one arising in Wisconsin where skim milk, once a byproduct of butterfat production, is badly needed for dry skim manufacture for lend-lease use; and labor problems that are bound to arise as the war effort increases its demand for manpower.

B. Labor Needs of Agriculture

This project, carried on cooperatively with the Division of Farm Population and Rural Welfare, will furnish an estimate of the total amount of labor needed in agriculture to produce the agricultural commodities called for by the 1942 goals. This information will be supplied for each important commodity by months and by States, and will be related to the number of workers employed in agriculture in 1939 and the probable number needed in 1942. The analysis will show in what sections of the country and at what times of the year there are likely to be serious peak loads of work to be done and in what areas surplus supplies of labor will be found.

Many details brought together in this study will be of use to those working on production goals and requirements of production in local areas. To date, estimates have been made and given to the Office of Agricultural Defense Relations on the total number of man days used in agriculture in 1939 and the estimated number needed in 1942 by States and for the United States; monthly distribution of labor for several States; and requirements per acre of production of wheat for each State. Additional information on seasonal distribution of labor and total manpower requirements of production per acre or per unit of livestock for all States and major agricultural enterprises is nearly completed. Future work involves breaking down State estimates so that a picture of the labor situation in production areas within the State can be presented. This breakdown will be made of present estimates and of current information received from Agricultural Marketing Service reporters and other sources.

C. Machinery Needs of Agriculture

During the coming year, the Division will continue to service officials who must allocate scarce materials and ration machinery and equipment. Several requests received through Office of Agricultural Defense Relations, from Office of Production Management, and Supply, Priorities and

Allocations Board already have been met. At present, the Division is summarizing several thousand questionnaires containing useful information on age, size, and type of tractors; performance and fuel needs of tractors; and the use of rubber-tired equipment. In 1942, additional information will be obtained regarding types, size, and age of tillage equipment; the size, age, and ordinary use of harvesting machines and equipment; and other data designed to measure in part farm needs for new machinery in 1942-43.

D. Special Production Problems in Goal Attainment

The Division will examine critical production problems on national and local levels and skim off results of past research or conduct emergency short-time studies where needed. Results of past work in input-output and interregional competition already have been used to assist in meeting dairy goals. Other projects under way include:

(1) Production of oil crops: This information is urgently needed because of difficulties in Far Eastern shipping. The Division's work is designed to present information for farm use in areas asked for increased production of soybeans, peanuts, castor beans, and flaxseed. Sources of seed supply, production requirements, and production practices are being obtained in the Southeast, the Delta, and the Gulf Coast.

(2) A service study of dairy production and distribution problems for the California Defense Board to determine adjustments needed to attain the dairy production goals.

(3) Another service project to determine feasibility of attaining beef and veal marketing goals in the Western range areas.

(4) Feed consumption in the United States is being studied to determine distribution of important classes of feeds to different classes of livestock from 1910 to 1940. Data are given for corn, oats, all grains, other concentrates, hay, and silage; and horses and mules, milk cows, other cattle, hogs, sheep, poultry.

E. Economic Collaboration between the United States and Canada

The Division has been asked to prepare certain regional adjustment material for the use of the Agricultural Subcommittee of the Joint Canadian-American Committee on Economic Collaboration.

F. Input-Output Relationships in Pork Production

The objective of this project is to determine to what degree additional outputs in the form of gains in liveweight decline with additional feed inputs. An experiment is being conducted on this question at Beltsville Research Center, which will be completed in February 1942. The results of this phase of the pork production project should be available in March 1942. With the milk production data, input-output information then would be available to determine whether feed grain on hand should be used

for increased milk production or for production of heavy hogs.

G. Possible Substitution for Scarce Materials in Commercial Feeds and Practices and Costs in Cattle Feeding and Beef Production

Materials used in making commercial mixed feed by some 500 manufacturers in different parts of the country are reported in this study. Data will be shown by regions for poultry scratch feeds, poultry mashes, starters and growers, dairy feeds, and other feeds. All the more important grains, oil meals, and the production and byproducts of the milling and other industries are reported.

An efficiency study of cattle feeding and beef production will show for the past 15 years the costs and income in buying and fattening several selected kinds of cattle suited to different conditions. The aim is to provide the feeder with information as to the kind of cattle and practices to use for a given feed situation on his farm. Cost and income data also will be shown for a breeding herd in which the calves are raised and fattened.

This report would apply primarily to the Corn Belt and Eastern part of the United States.

H. Analysis of Naval Stores Production

This analysis of production and distribution methods in the naval stores industry has assumed greater importance in view of shipping problems in both oceans. Increased needs for domestic camphor and turpentine are increasing demands for naval stores well beyond production of recent years. The naval stores industry has many complexities that will be analyzed in an effort to discover the most effective methods of getting needed increases in these products.

II. POST-WAR ACTIVITIES

Most adjustment work will be undertaken with full consideration of post-war implications, such as depleted capital, eroded soil, and over-extended production.

A. The Pattern of American Agricultural Production in the Post-War Period

Wartime agricultural goals are reinforcing old production trends, creating new ones, and generally shaking up the farming map of the United States. Pan-American and Pan-Allied economic collaboration during wartime probably will be continued in some form into the post-war period if a durable peace is written. Nutrition programs doubtless will be an important part of the long-time picture.

A number of questions arise in considering the post-war production picture: What will the agricultural production map of the United States look like after the war? Which lines of production will be sharply contracted from wartime levels and which will be maintained or even expanded? How will these production changes be distributed geographically? To answer these questions a preliminary analysis that is designed to present a pattern of post-war agricultural production should be started immediately.

The first step in the analysis will be to set up, as definitely as possible, some tentative estimates of wartime farm production, the possibilities of economic collaboration among nations, and the dietary needs of our own people after the war. The second major step in the analysis will be to picture the national and regional production of major farm commodities under the estimated conditions. For some commodities it may be desirable to make these estimates on more than one possible post-war condition. The immediate need is for a quick overall summary analysis that can serve as a broad guide for war and post-war planning. On a pattern of this type, a more detailed picture can be drawn as the war effort slackens and post-war readjustment of agricultural production becomes imminent.

B. Employment and Settlement Opportunities in Post-War Agriculture

The Division is formally represented on four of the 28 committees conducting investigations relative to the Columbia Basin Reclamation Project. Major emphasis of the Division has been devoted to developing types of farm economy best suited to the project areas, and on the basis of these it will be possible to determine optimum size of farm units. The Division also has served as consultant on other problems. Preliminary drafts of reports on "Suggested Crops, Probable Yields, and Land Utilization," "Estimated Numbers and Production of Livestock," and "Estimates of Physical Inputs for Farms" have been distributed among members of committees working on the various problems.

The remaining work of the Division in this respect is primarily that of developing farm plans and presenting the findings to other research workers on the project. Information obtained in the Columbia Basin work will be used to provide information relative to proper sizes and types of farms to be developed on the 17,000 acres of new land that will be available for settlement in 1942 on the Roza Unit in Yakima Valley.

C. Agricultural-Industrial Relations

A study of the extent to which agriculture influences the location of industry has been requested by the National Resources Planning Board. As a contribution to determining the factors influencing or hindering plant decentralization, this work fits well into post-war planning. In this work, some time also will be spent in a cooperative effort to develop a map of stress areas that will present particularly difficult problems of population dislocation in the post-war period.

III. RESEARCH AND MAINTENANCE ACTIVITIES

The broader aspects of both war and post-war production programs probably will include all phases of agricultural economics research. However, a few projects have general application and cannot be specifically tied to war or post-war activity. The Division has several projects that should be maintained to assure continuation of work in several important fields.

A. Fact Finding and Reporting

Cost of producing field crops since 1922—The Division has published annually cost estimates for corn, wheat, oats, and, beginning with 1923, for cotton. The cost findings have provided a fairly reliable basis in forecasting acreage and production trends, and for estimating the returns of farmers.

Farm returns—This project reports the financial returns of farmers, as summarized from a mail inquiry dating back to 1922. Each reply used is a virtually complete statement of a farmer's own farm business. (Mailing lists used are among those the Department has relied on for many other statistical facts. The replies have no quantitative data beyond the acres of land in the farm—all data are in dollars, except a few that occasionally give explanatory details.) The series may be used in several ways by rearranging items and by regrouping reports from States and counties. Many supplementary tabulations have been prepared to meet special requests from other agencies.

B. Completion of Specific Projects Already Extensively Under Way

Several partly finished projects were listed under the production program, because they had phases that would be definitely helpful in the goal work. In addition to those studies, the Division has a few projects that should be completed. Most of these are very near completion, and the others have been urgently requested by other agencies or by the States in which the work is being done. These projects are listed below.

1. Accomplishments of the Agricultural Conservation Program in West Virginia and the Effectiveness and Economy of Pasture Improvement Practices.

2. A Soil Conservation Program for Potato Farms in Aroostook County, Maine.

3. An Economic Study of the Pecan Industry.

4. Low-income Farm Study, Erin, New York.

5. Farm Forest Studies in New York and Maine.

C. Special Assistance to Action Agencies

Except those projects listed as nearly finished or under post-war activities, the Division has no outstanding work with agencies in project form. It expects to continue relationships with Soil Conservation Service, Farm Security Administration, Agricultural Adjustment Administration, and other action agencies, and to give new project proposals careful consideration.

1. Family-Sized Farms

Determination of resource needs and proper farm organization for family-sized farms is being made at the request of the Farm Security Administration. There is a specific need for

analysis of the size of the family necessary to provide a satisfactory income for the farm family under prevailing and prospective conditions in each major type-of-farming region. This work should serve effectively as a guide to public agricultural programs in the post-war period. Work on the first report in the Corn Belt, the Southern High Plains, the Mississippi Delta, the Lower Piedmont of Georgia and South Carolina, and the Northern Great Plains has been completed.

2. Experimental Farming

The experimental farming project was undertaken at the request of and under agreement with the Farm Security Administration, which is considering changing its present financing and supervisory program, covering every county in the United States to a program on a problem area basis. This would involve more intensive work in problem areas. Special areas, designated for experimental farming programs, were the forerunner of the pending adjustment in the Farm Security Administration program.

The more intensive work to be done with low-income families under the revised program makes it particularly important that the experiments with farm organization and special crops be carried out with low-income farmers to obtain needed guides to possible remedial measures. Farm Security Administration officials in all regions have indicated their desire to carry out the experimental farming program to an even greater extent than is possible with resources now available in the Division.

While admittedly a long-time program, it is believed that first results of the experimental farming project will become available within two years. If these results point the way to more effective use of natural resources and assist in relieving rural distress, a definite contribution will be made to the war effort.

D. Maintenance of Research

1. Organization, Production and Income of Typical Family Farms

The objectives of this project are (1) to analyze the past effects of changes in farm organization and farm practices on the economic well-being of families operating typical farms in the various agricultural regions of the United States; and (2) to forecast, on the basis of certain factors, the relative output and economic position of these farm families.

The study covers a 32-year period beginning in 1910 and is expected to have current use in: (1) analyzing the probable farmer reactions, in terms of changes in farm operations and incomes, to technological developments, agricultural programs, and proposed farm legislation; (2) forecasting production possibilities of typical family farms

throughout the United States; and (3) measuring the relative economic position of these farmers to each other and to non-agricultural groups. The development of this project is such that information pertaining to certain phases of the work and to particular organizations can be made available as the project progresses. Information already has been released to agricultural experiment stations, research agencies, administrative groups, legislative groups, and representatives of farm organizations.

2. Wheeler-Case Investigations

A member of this Division has primary responsibility for general planning by the Bureau in settlement of areas involving irrigation development under the Wheeler-Case program. This work is being carried on under Congressional mandate in the 17 Western States as part of a broad Federal program of reclamation and resettlement.

3. Fertilizer, Machinery, Labor, and Other Requirements for Agricultural Production on Individual Farms

Several studies are now under way that have some immediately useful phases, such as oil crops in the South. However, the general plan for these studies provides for the obtaining of a variety of production information that is then used to develop alternative possibilities of farm adjustment. This type of information is invaluable in the practicable allocation of national goals to State and local levels. Therefore, it is planned to complete these studies as soon as time can be spared from the emergency tasks outlined above.

Studies of this type are being carried on in the cotton-peanut areas of the Southeast, the Gulf Coast of Texas, the Corn Belt, the Intermountain Region, and the Great Plains.

LAND ECONOMICS

In the Bureau's program, the Division of Land Economics will carry the major share of the work in the post-war planning field. The Division's work in the broad field of land use, control, and development qualifies it to join other agencies in examining certain key post-war problems. In addition, the Division will participate in developing the production program and will carry on a continuing survey of land values.

I. WAR ACTIVITIES

A. War Production Goals and Their Attainment

One of the major efforts of the Bureau of Agricultural Economics during the war is cooperation in setting up and attaining wartime goals of food and fiber production. To this effort, the Division of Land Economics is contributing analysis of broad economic problems on an area-wide basis and of obstacles to maximum agricultural production, together with stimulation of greater production through proper area adjustments. This Division also stands ready to deal with special obstacles to production of an institutional character.

B. Survey and Control of the Land Market

Among the pressing difficulties of World War I and its post-war period were speculative increases in land values. During the present war, this Division will contribute in the field of land values to work of other Divisions in the Bureau and of other government agencies by assembling and interpreting data that can be used: (1) To show farmers the results of a speculative land boom or excessive value increases, such as widespread ownership losses, reduced living standards, production disturbances, and other distress conditions associated with violent land fluctuation; (2) to provide essential information for action and planning agencies; (3) to check validity of rumors; (4) to indicate the need, location, and timing of measures for curbing undesirable developments; and (5) to examine and outline various control proposals.

1. Market activity surveys

Annual farm real estate condition surveys must be supplemented by more frequent inquiries so that information will be available on significant changes more nearly as they occur. To obtain this desired information, general data on land value changes will be collected semi-annually from crop reporters and from farm real estate dealers. In addition, field investigations will be undertaken in which the following types of information will be collected quarterly for selected areas or counties:

(a) Land value movements and transfer frequencies.

(b) Types and character of sellers and potential lands available for sale, including amounts of land held by corporate agencies, estates and trustees, county and public lands, and lands listed with real estate dealers; and the attitudes of the various landowning groups toward disposal of their properties.

(c) Types and character of buyers, including classifications according to tenure, intention, and occupation and residence of non-operators.

Some information collected in the field will be obtained from secondary sources or interviews with representatives of such agencies as the Federal Land Bank, life insurance companies, and Farm Security Administration. More detailed information for selected counties will be obtained periodically from county records, and will be supplemented by questionnaires and interviews to provide information on purchase price, type of buyer and seller, and intention of purchasers. Nation-wide reports, including regional summaries, will be prepared and made available currently to credit agencies and other action and planning groups as significant changes in the land market occur.

2. Measures for controlling inflation in land values

Work in connection with proposed control measures will center around the preparation of a report in which consideration will be given to:

(a) Exploring the ramifications of various proposals, including various types of taxes, lending agency appraisal and loan policies, flexible contractual arrangements, farm commodity price controls, farm real estate licensing provisions, and limitations on corporate agency farm real estate holdings.

(b) Analyzing additional methods likely to be available under war conditions, such as transfer permits or licenses, including conditions under which such permits would be granted, or other methods that appear appropriate in the light of current government price administration experience.

C. Service Activities

1. Services to war agencies

Some displacement of farm people has been necessary in the rapid establishment of military facilities and war plants. The Division has provided a limited amount of assistance to the War Department, action agencies, and others concerned with helping rural individuals and groups in finding new economic opportunities and will continue to do so.

2. Service to civilian defense authorities

Limited attention is being given by Division personnel in the coastal regions, in consultation with Civilian Defense groups to plans for evacuation of "non-essential" civilians in case of emergency. Advice on such matters as availability of rural housing and of public facilities including schools and roads, can be furnished from accumulated information, but this activity can be expanded as the need arises.

II. POST-WAR ACTIVITIES

A. Economic Analysis of Areas Likely to Face Acute Post-War Adjustments

Significant shifts in production patterns and economic activities as the Nation moves into a war production economy, have resulted in disturbances to economic opportunities of many people in rural areas. Employables are being drawn from rural areas into new or expanded industrial and other economic activities. Before the shift from the war economy to the peace economy is made, it will be necessary to formulate advance plans for facilitating and directing an orderly readjustment. As its contribution in this field, this Division will identify and appraise at least the more critical rural situations that are likely to develop from this source.

The character of the problem requires that the Division's initial efforts in dealing with it be restricted largely to appraising the probable dimensions of the problem and to estimating the extent that economic opportunities within these rural areas can absorb manpower, either through continued industrial activity or through expanded agricultural activity. Policy for meeting this change-over problem can be formulated on the basis of these data.

1. Procedures for immediate activity

(a) From sources available in Washington, locate all rural areas experiencing extensively altered or augmented industrial or military activity;

(b) From these centralized sources of information, select a limited number of representative situations, where the nature and intensity of the problem are fairly obvious, and determine as precisely as possible for these situations the volume of employment, net increases due to war expansion over and above usual levels, the extent and kind of change-over in type of production usually carried on, and the probable types and levels of productive activity that may be practicable and possible after the war. Findings will be assembled in brief factual statements that summarize each situation, insofar as information in Washington will permit. Initial efforts will be largely exploratory in nature as a means of guaging the scope and content of investigations required. These informational reports will be made immediately available for use in the planning process as it deals with the problems of transition from war to peace.

(c) Copies of these data and initial reports will be taken to the field as a point of departure and general guide for more searching analysis of sample local situations, along the lines set forth above but with particular attention being given to:

(1) Extent to which local agriculture is being affected, either intensified, reduced, or altered in character.

(2) Likelihood and potential opportunities for production change-overs, industrial or agricultural, within the rural area, and the probable or possible degree to which such change-overs will supply adequate economic opportunity for those people within the rural area.

B. Public Works Program

In contributing to the public works program, the Division proposes to dovetail its work with that of the Bureau-sponsored local and national planning groups in fulfilling its responsibility for post-war planning. Contributions will be made largely in two main categories: (1) general planning designed to ascertain the nature and form of public works and their relation to long-term directions of adjustment; and (2) the preparation of planning and technical guides to assist local planning committees. The Division will work directly with field committees in the development of preliminary plans in both fields.

1. General planning

Whether a specific works project is a public building, such as a hospital, or a conservational project, such as forest rehabilitation, it is the task of the planners to fit the particular public works project into the broad plan of economic development of the area in question. To afford planning committees a framework of reference to help in judging the desirability of various types of projects, the Division will:

(a) Delineate significant areas of economic activity associated with resource utilization;

(b) Cooperate with State and regional committees in determining the appropriate areas for planning the public works program; and

(c) Assemble and analyze all pertinent information necessary for the determination by the planning committees of desirable directions of adjustment in these areas.

In carrying out this activity, the Division will utilize all techniques that will insure an effective basis for general planning. By working closely with planning committees, technical knowledge of the Division can be effectively used.

2. Planning and technical guides

The Division of Land Economics will participate directly in the preparation of technical and planning guides, procedure outlines for planning committees, and similar materials.

Technical guides.--The Division is prepared to aid in the formulation of technical guides in the physical resources field, by helping to prepare them and by reviewing and revising them in collaboration with staff members of other units. The Division will participate in

a similar activity with respect to several aspects of the rural facility and service phases of the post-war program, including rural housing, roads and schools, rural electrification, and other categories that may be determined. In this work, particularly rural housing, this Division will consult with the Division of Farm Population.

These technical guides will be prepared in the form of comprehensive statements on basic standards, national needs, and ways of meeting these needs. They will be written especially for the use of committee members and of technicians at the regional and State levels.

Planning guides.--The Division will provide desired technical help in the preparation of all phases of these planning guides, which will be mainly adaptations of the more comprehensive technical guides, and are designed for planning groups on all levels, particularly county planning committees. The Division's contributions to this work will include, among other subjects, scope and content of the field, institutional framework involved in carrying out any program of work, and integration of various phases of a public works program in any region so that a well-rounded State and regional plan can be developed.

Participation in field planning activities.--Much of the initial work on guides will be done on the Washington level, so there remains the important task of welding Washington and regional efforts into an effective over-all program. In doing this, the Division will function in a technical liaison capacity to help explain and adapt planning guides to regional and State requirements.

In addition to this work on technical and planning guides, the Division will undertake several activities that are intended to develop general principles to follow in planning public works. Largely on the basis of existing materials, a general statement will be prepared, which will include (1) principles for guiding planning groups in judging the economic feasibility of specific projects, and (2) principles for financing a public works program. Planning groups could use this statement in making judgments as to the relative desirability of alternative projects.

Among other things, attention will be given to:

(a) The development of uniform approaches and procedures for measuring types of benefits and costs that lend themselves to evaluation in conventional terms.

(b) Problems involved in determining the economic feasibility of project phases, which include questions covering the degree of intensity of measures and the costs and returns of separable parts of proposed programs.

(c) The development and appraisal of methods for objectively treating benefits, costs, and cost offsets that elude monetary measurement in the usual terms. This involves consideration of social benefit and cost phases, cost adjustments for example where labor is employed that otherwise would be on relief, the treatment of indirect and intangible benefits, etc.

The Division also is prepared to contribute to the field of public works planning by developing standards and guides for financing public works projects so that benefits and costs can be apportioned among beneficiaries and the burden of financing post-war public works projects can be distributed. An equitable allocation of costs would appear to require balancing several major considerations: urgency for creating immediate employment, benefits to be received, and the financial capacity of State and local governments. Without forethought, the first of these is likely to completely override adequate deference to the other two. Three different problems will be examined in an effort to arrive at a set of principles upon which to base a well considered scheme for financing particular categories of public works projects:

(a) Formulae for the equitable sharing of costs between the Federal government, on the one hand, and states and localities on the other.

(b) Application of policies for grants-in-aid by states to local governments.

(c) Methods of allocating costs among the various beneficiaries of a project; and an equitable scheme for raising the local government's fair contribution, as between the landed and the landless, the farmer and the urbanite, and the several classes of farmers. The first step would involve making use of the Bureau's and this Division's experience and information in Bankhead-Black work; examination and appraisal of Works Progress Administration and Public Works Administration policies; review and analysis of available data on property tax and debt burdens, analysis of State and local laws and administrative practices; and other materials and judgments growing out of the Bureau's planning and public finance work.

D. New Land Settlement

New land settlement offers some opportunities for employing labor and other resources released from war activities. But new settlement cannot be regarded as a panacea for all post-war unemployment problems. Accordingly, this Division will cooperate with other Divisions of the Bureau in making an evaluation of the possibilities and limitations of new settlement in specific areas, such as the Mississippi Delta, the Everglades, the Pacific Northwest and the Cumberland Plateau. The objectives of the Division's short-term studies to obtain this information will be to:

(1) Appraise specific possibilities and limitations for settlement;

(2) Determine means of preventing settlement in unproductive and overcrowded farm areas; and thus

(3) Provide the basis for formulating measures to insure desirable settlement patterns.

As a part of this activity, attention also will be given to limitations and possibilities of colonization or mass settlement proposals. At the same time, the Division will review the experiences of several states with veterans' colonization projects following the last war so that any difficulties that occurred at that time can be avoided.

Reports of these studies on new settlement will be made available to State and regional planning committees during the progress of the various investigations.

Concentration in control of land.--One of the underlying trends in our agricultural economy that will inevitably be modified upward during the war period is the concentration in land control. This concentration problem, manifesting itself in displaced farm families and insecurity of tenure, may be obscured temporarily by the war, but it is suggested that several exploratory field projects be continued to ascertain the scope, nature, and causes of the problem. Likewise, in cooperation with other Divisions of the Bureau and with other government agencies, the Division will give consideration to various measures for controlling concentration that could be taken to minimize its deleterious effects. As a part of this activity, the Division will pay attention to the broad problem of the relation of land control to agriculture's capacity to absorb rural populations at adequate living standards.

Supplemental, non-budgeted work in flood control and water facilities planning.--Planning in the field of water facilities and flood control is carried on under Congressional authorization. This work is directed toward planning specific action programs, which consist of the determination of physical improvements and land use practices for conserving water and reducing flood hazards and damages, as well as an analysis of their economic feasibility. Reports of completed projects and regional summaries of the status of all work will be made available to post-war planning committees, so that these committees can utilize these plans and evaluations in establishing public works programs in rural areas.

III. SERVICE AND RESEARCH MAINTENANCE ACTIVITIES

A. Fact-Finding and Reporting Activities

Several basic fact-finding and reporting activities now are carried on by the Division that are of general value to the research and planning program of the Bureau. Annual surveys are made of land values, transfers, rents, and land tenure changes, and graphic summaries of these data are prepared. A continuous record is kept of agricultural legislation, both State and Federal.

B. Service to Farm Security Administration

(Bankhead-Black - Farm Leases)

(1) The Farm Security Administration turns over an annual sum to the Bureau of Agricultural Economics for service to the Farm Security Administration in connection with payment in lieu of taxes and other local governmental problems arising out of the operation of tax-free

resettlement projects by the Farm Security Administration. Continuation of this service has no effect on other activities of the Division, as no more than the manpower actually paid for by the Farm Security Administration is devoted to this work.

(2) The Division will continue also its service to the Farm Security Administration in its tenure-improvement program for rehabilitation borrowers.

C. Projects to be Completed Quickly

In addition to projects now under way as a part of the war and post-war activities, there are a number that are nearly completed. It is recognized that all of these are subject to curtailment at any time, so that the Division can deal more effectively with higher priority projects. Many projects listed below are cooperative with Experiment Stations and other agencies.

1. Relation of Administration and Management of State and County Lands to Land Tenure and Use in North Dakota.

2. Group tenure in the Northern Great Plains.

3. Recreational Land Use Development in Brown County, Indiana.

4. Adjustments in Cotton Allotments with Particular Emphasis on the Alluvial Plain of the Mississippi River and Adjacent Hill Lands.

5. Area Analysis of Callaway County, Missouri.

6. Land Utilization of Benton County, Oregon; Uintah Basin, Utah; Valencia County, New Mexico; and Types of Farming in Utah Range Areas.

7. Utilization of West Virginia Lands for Farming and Forestry.

8. Subsurface Land Utilization in Oklahoma.

9. The Structure and Financing of Local Government in the Columbia Basin Project.

10. A Study of the Gum Naval Stores Industry.

11. The Administration of the Property Tax in Texas.

12. Analysis of Road Aids in New Hampshire.

13. The Relation of Local Government and Public Finance to Land Utilization in North Dakota.

14. The Relation of Land Income to Land Values in Northwestern Missouri.

15. Land Tenure Relationships in Mississippi.

16. Delineation and Analysis of Types of Tenure Areas in Illinois, Missouri, Kansas, Alabama, Kentucky, Massachusetts, Louisiana and New England.

17. Economic Legal Analysis of Landlord-Tenant Relations in Arkansas, Virginia, and Kansas.

18. Readjustments of Agricultural Tenure in Denmark.

19. Farm Tenure Characteristics and Tenure Reforms in Iowa.

20. A Study of Land Tenure in the South Central States.

FARM POPULATION AND RURAL WELFARE

The Bureau's effort to aid in meeting the farmers' labor needs will center in the Division of Farm Population and Rural Welfare. This work will be based on several years of study of agricultural labor problems. The Division also will assist in completing the organization of planning committees in rural communities; analyze the movement of rural population; and cooperate with the Division of Program Surveys in studying the attitudes and opinions of farm people on questions relating to the war. For each of these tasks the Division can fall back on the knowledge of farm people and farm life that has been accumulated over many years.

I. WAR ACTIVITIES

A. Farm Labor

(1) Major emphasis will be placed upon the compilation, analysis, and interpretation of data on farm labor likely to be of use to State and county land-use planning committees, the Farm Placement Service, etc. In part, these data will be derived from the Agricultural Marketing Service, e.g., data on employment, demand for labor, reserves of labor available on farms, occupational and regional migrations of labor, wage rates, etc. In part these data will be such as may be obtained from agencies of the Bureau of Agricultural Economics, Farm Security Agency, Bureau of Labor Statistics, Works Progress Administration, Office of Production Management, Bureau of Employment Security, and agricultural planning and defense committees. The Washington office will work with the regional representatives of the Division in presenting and interpreting these data on a nation-wide, regional, state, and problem-area basis. At the state level demand and supply data will be analyzed for each type-of-production area in the state and special analysis will be made for critical areas, as required. In cooperation with the Division of State and Local Planning, assistance will be given state sub-committees on farm labor in determining the most effective methods of recruiting, distributing, and utilizing labor and of stabilizing available labor supply.

Current analyses will be made with a view to preparing estimates of the farm labor force, utilizing census, population, and unemployment data for the nation, by regions, by States, and by production areas in relation to the nonagricultural working force and the requirements of the armed forces. Movements of labor from agriculture to industry and from region to region will be studied. At the same time, the Division will study the problem of the maintenance and replacement of the operator-and-farm-family working force. Estimates will be prepared, on a national, regional and state basis, of the availability of agricultural labor in relation to production goals for 1943.

Current reports on the farm labor situation, based on data collected by the AMS and other agencies, will be prepared for administrative use or publication.

(2) The Division will work continually with AMS technicians in developing schedules procedures for gathering data by mail and by field enumeration in special areas, which the Division will help to select. Work will be done with the AMS and with representatives of BLS, BES, WPA, etc., in developing statistical series on farm labor adapted to the needs of agriculture and comparable with other labor series.

(3) Estimates of labor requirements, now being made jointly with the Division of Farm Management, will be completed in terms of totals and per unit of product, nation-wide, by States, by crops and livestock, and in relation to seasonal requirements. These data will require continuous revision in relation to changes in production goals and in farm practices.

(4) Attention will be devoted to the relation of movements in wage rates in industry and in agriculture to the attainment of production goals.

(5) Information will be sought regarding areas of excess population, where training in skills would assist in recruiting laborers for specialized farm work and for war industries. Estimates will be prepared of the numbers of persons available for these purposes. At the State level, assistance will be offered to State agencies in preparing programs for training in needed skills.

(6) Information and assistance also will be supplied to the Office of Agricultural Defense Relations, the Regional Labor Supply Committees, set up by the Office of Production Management, the Farm Placement Service of the Bureau of Employment Security, Farm Security Administration, the Interbureau Committee on Farm Labor, the Agricultural Adjustment Administration, the Division of State and Local Planning, and other agencies concerned with farm labor.

B. Farmer Participation in War Programs

(1) Opinions and attitudes of farm people

In cooperation with the Division of Program Surveys, studies will be made in rural communities, representative of larger regions, of the opinions and attitudes of farm people on important subjects arising out of the war situation. Careful periodic checks of farmer attitudes will be made in approximately 50 areas, selected on the basis of their representativeness of the major agricultural production regions and rural population centers of the country. Collaborating closely with the Division of Program Surveys, particular emphasis will be placed upon obtaining useful information on the thinking of

farmers with respect to current or proposed war activities and events that affect rural life. In addition, this Division will be prepared to make quick analyses of farmer attitudes in special areas outside of the regular sample as needs are made evident from information available or requirements of the Department.

Studies will be made within the sample areas of the factors influencing participation by rural people in war programs. Trends in participation will be determined by repeated periodic observations. In this phase of the work the Division of Program Surveys, the Office of Civilian Defense, and other interested agencies also will be consulted frequently with the objective of meeting their requirements as fully as possible.

Periodic, brief, and concise memoranda interpreting these analyses will be made for administrative use.

(2) War-time discussion materials

This Division will assist the Divisions of Economic Information and Program Study and Discussion in the preparation of publications dealing with questions, issues, and situations affecting farmers' attitudes and sympathies for use in local discussion groups, Extension meetings, and for general distribution among the farm population.

(3) Rural community organization

The work of the Division in assisting in the organization of rural communities for war-time activities will be continued and expanded. Directed specifically to the needs of the program of agricultural planning to attain production goals, the work in community organization will be carried out in cooperation with the Division of State and Local Planning, the Extension Service, and the Local Defense Councils. The objective of this community work is to instill a widespread and real sense of participation by farm people in the national defense effort, based upon sound local organization in rural areas.

C. Training in skills to prepare farm people for defense operations

(1) Analysis of areas of surplus farm population

This Division will determine, through Census and other data, those areas where the number of farm people, especially maturing young people, is in excess of the needs for agriculture. At the same time, it will show the location, skills, and mobility of these persons in relation to the needs for war production in agriculture and in industry. Quick intensive field studies will be made as needed to learn to what extent labor reservoirs are being tapped and what measures are needed to do this more effectively.

(2) Studies to assist vocational education officials

To determine how and where to increase vocational education facilities, so that the needs of "surplus" rural people can be met in the face of urgent demands for industrial labor and for farm labor in areas where farm labor shortages are imminent, the Division will carry on studies in cooperation with State departments of vocational education, the Extension Service, and other interested Federal and State agencies. In carrying on this work, the primary aim is to place the information and experience of the Division at the disposal of the agencies that are directing the present war-time vocational educational program.

D. Population dislocations and migrations

(1) A study of shifts of rural population as a result of war needs and of the problems created by this migration in areas receiving and areas giving up migrants. The major activity in Washington will center on the collection, correlation, and analysis of data from many sources to provide current information on these shifts and their relation to the labor force available in rural areas. The major activity in the field consists of correlation of data available from many sources to provide current information on the migration into the Pacific Coast areas. This work is being carried on at the request of the Federal Regional Advisory Council in California. The work involves limited field checks to supplement data afforded by other sources, and includes, too, current analyses of counts made by the State Bureaus of Plant Quarantine in California and Arizona, and analyses of registrations at Farm Security Administration migratory labor camps.

(2) Assistance in collecting information that is needed (1) in locating war plants in rural areas, and (2) in aiding farm families displaced by the location of such plants. Actual field studies will be undertaken as requested by defense and other agencies. This work is similar to spot studies made during the past year in areas near Fort Riley, Kansas; Burlington, Iowa; and Wahoo, Nebraska.

II. POST WAR ACTIVITIES

Because activities related to the war will absorb such a large part of the resources of the Division throughout the remainder of the fiscal year, a relatively small amount of time will be devoted to post-war planning. Some work will be carried on, however, and it is anticipated that as the program of the Bureau includes more post-war activities in the future, the Division's work in this field will expand.

Post-war activities of the next six months will include the following:

A. Population Trends

Data on changes in population composition and trends will be kept current and provided to units needing it in their post-war planning activities.

B. Technical Guides and Discussion Materials

Subject-matter specialists of the Division will collaborate with the Interbureau Coordinating Committee on Post-War Planning in the preparation of technical guides and discussion materials on topics within their fields for the use of regional, State, and county committee.

C. Columbia Basin Studies

Work on problems assigned to this Division by the Columbia Basin Interagency Committee will be completed. New land settlement will occupy a prominent place in post-war planning, and it is felt that the activities of the Division on its several segments of the Columbia Basin study will be especially profitable.

III. RESEARCH MAINTENANCE ACTIVITIES

A. Fact-Finding and Reporting Activities

(1) Analysis and reporting of findings from 1940 Census data -- To provide in readily usable form the Census materials on rural population, levels of living, housing, farm labor, part-time farming, tenure, low-income, and related topics. Most of the clerical work can be done through a WPA project which is now in operation.

(2) Annual farm population estimates -- Continuing and improving the annual series, showing changes in the farm population and movement to and from farms. Data are gathered through mailed questionnaires. The series dates back to 1920.

B. Completion of Projects Already Under Way.

(1) Basic Research

Consumption behavior -- an analysis of consumer preferences to be worked up from punch card data available from the Consumer Purchases study.

Community organization summary -- a monograph to summarize and make usable as a guide the experiences in community delineation and related work of the past three years.

Community stability and instability -- a basic research project on the underlying causes of stability or instability in American rural life.

Mental illness in rural areas -- the extent, distribution and contributing causes of mental illness in rural Connecticut as revealed from an analysis of the case records of a State hospital.

Ethnic groups -- factors influencing the assimilation of foreign-born, with particular reference to the Polish in Connecticut.

Rural youth - the number, distribution, and resources of rural youth and opportunities for entering farming; analysis of data obtained in surveys in Michigan, Indiana, Illinois, and North Dakota.

Population migration - the extent and direction of migration from the Southern Great Plains and its effects.

Population pressure - a study of population in relation to resources and opportunities in Utah.

(2) Service to action agencies

F.S.A. cooperatives - assistance to the Community Services section of F.S.A. in expanding the organization of local cooperatives among low-income families.

F.S.A. standard loan analysis - the "skimming off" phase of a comprehensive study of progress in rehabilitation made by standard loan clients.

Families on submarginal land - the characteristics, resources, and capacities of families living in areas designated as submarginal by the New York State Planning Committee.

Migrant farm families - economic and social situation of farm laborer families working in truck crop areas of New Jersey, with particular reference to educational opportunities for children.

Labor and tenure - the preparation of a report from a study of labor and tenure conditions in Southeastern Missouri.

Institutions - a survey of the number and distribution of schools in relation to need and ability to support, in Ward County, North Dakota, and Hand County, South Dakota.

Levels of living - an inventory of the material items in levels of living among farm families in Lancaster County, Nebraska.

Community studies - a series of intensive studies of composition of rural communities and the effect of action agency programs upon them: Greene County, Georgia; Covington County, Mississippi; Lincoln Parish, Louisiana; Eddy County, New Mexico; and Wasco, Kern County, California.

Farm family displacement - the resources, capabilities and needs of farm families displaced by flood control program in Lafayette County, Mississippi, and by submarginal land retirement in McCurtain County, Oklahoma.

Rural health - the number, type, and distribution of rural health facilities in Kansas and the relation of these to health conditions.

F.S.A. record book analysis - a systematic summarization and interpretation of data from the farm and home record books of clients, for the use of F.S.A. personnel.

Population adjustments - a study of population in relation to resources; Warren County, Iowa, and the Lake States Cut-over Region.

AGRICULTURAL FINANCE

The Division of Agricultural Finance has been carrying on research for many years on problems of agricultural credit requirements and policies that should be followed to meet these credit needs. Accordingly, the Division will gear into the production program by providing the basis for formulating methods to meet credit problems raised by the program. In addition, work on broad fiscal and credit policies related to agriculture will be continued.

1. WAR PROJECTS

A. Development of Credit Arrangements for Achieving Production Goals.

The Division of Agricultural Finance proposes to gear a major part of its work in with the Bureau's program of setting up and achieving goals of wartime production of food and fiber. This work will fall into three categories:

1. Determination of credit facilities needed to attain the maximum production of required agricultural commodities during the war, as, for example, credit arrangements required to secure increased turpentine or soybean production. Whenever special arrangements must be made to secure required financing, recommendations with respect to these situations will be passed on to government agencies especially concerned with removing such obstacles. A large part of this work will have to be carried on in areas that have special problems to face, either in financing farm operations or processing plants. In carrying on the first activity listed, the Division will cooperate closely with those within and outside the Bureau who are working on the program.

2. Development of general procedures farmers can use in obtaining credit and, where needed, advice against overextension. The Division would proceed to get this information to the farmers by working through State and local planning committees.

3. Provision of advice to officials within the Bureau concerning general credit policies that can and should be followed in connection with the Production Goals Program.

B. National Fiscal and Credit Policies Relating to Agriculture.

In addition to developing general information for use by individual farmers in planning their own financial programs, this Division proposes to examine national fiscal policies as a whole as they may affect agriculture. The particular work that is done will be determined in large part by current questions, but, insofar as possible, the objective will be to anticipate credit and fiscal problems that will be of interest to agriculture and to initiate plans for dealing with them before they arrive at the stage where specific decisions must be made. One question that will arise and on which answers must be given at short notice is that of need for and feasibility of credit guarantees to insure availability of adequate credit. Still another question relates to the position that the Department should take on proposed federal tax measures that may affect the ability and willingness of farmers to produce needed agricultural products.

Major aspects of these studies will include:

1. Analysis of taxation and other fiscal measures and proposals that will affect agriculture, including study of foreign experience.

2. Appraisal of effects of methods used to finance the war on farm prices and incomes and on the needs for agricultural subsidies.

3. Appraisal of effects of national fiscal policies on revenue sources and debt policies of State and local governments.

4. The effect of the war economy and the national fiscal and credit program on local government finance.

5. Guidance in the formulation of credit policies of agricultural credit agencies in the light of national credit policies being followed.

II. POST-WAR PROJECTS

A. Financing Post-War Rural Reconstruction Programs.

Out of post-war planning efforts will come many proposals to expand agricultural and rural community facilities to take up the slack during the transition from war to peacetime activity. How these programs can be financed will depend in part on circumstances at the time. This means that the Bureau should explore, and have plans prepared for a wide range of financial programs, which will involve working out means to attract private investment as well as to plan for governmental expenditures. Work on these phases of the post-war reconstruction problem, which should be made an integral part of the entire post-defense planning process, would involve during the next six months a study of:

(a) The extent to which improvements in rural housing could contribute to post-war economic recovery.

(b) An analysis of the methods that have been employed in foreign countries to encourage rural housing.

Work in this field will be done in cooperation with the Division of Land Economics and the Division of Farm Population and Rural Welfare.

B. Application of Social Security to Farmers and Farm Laborers.

Much attention has been given recently to the inclusion of farmers and farm laborers under the provisions of the Social Security Act. These proposals should be carefully analysed by the Bureau. This project would involve development of a plan and a workable basis for farmer participation in a social security program.

III. RESEARCH OF A CONTINUING CHARACTER

A. Evaluation of a Plan of Insurance that Covers Workstock of Farm Security Administration Clients in the States of Mississippi, Arkansas, and Louisiana.

This study is being carried on in cooperation with the Farm Security Administration, which is interested in the feasibility of expanding this type of insurance to other States.

B. Development of an Actuarial Basis for Insuring Yields of Certain Basic Agricultural Commodities.

Research on the feasibility of crop insurance for corn, citrus fruits, tobacco, and rice is now under way. It is intended to continue some further research on the first four of these commodities. Considerable money has been spent in acquiring data, much of which will be lost unless we continue to accumulate data for a longer period of time.

C. Computation of Tax Indices.

Maintenance of various series that show the amount of taxes paid by farmers is important in measuring the impact of the defense program upon agriculture. In addition, the series on farm real estate taxes is required for the computation of parity prices. Routine work in the maintenance of these series, therefore, will be continued.

D. Farm-Mortgage Debt Estimates and Interest Payments.

These are basic series required in various aspects of the Bureau's activity, particularly in the computation of parity payments. It is contemplated that work on these series will be continued.

E. Financing Facilities for Agriculture.

These are continuing studies of the loan policies and financial positions of the principal agencies that finance farmers, and special studies of the facilities available in particular areas or for particular agricultural industries. With the work already done, the continuing studies require little effort to keep them up to date. It is essential that this work be continued so that the Department will know at all times whether existing credit facilities are adequate for current requirements. The special studies are undertaken as need arises.

F. Canadian Debt-Adjustment Procedure.

This project will have a definite bearing on debt-adjustment methods in this country should need for these arrangements arise in the post-war period. This project is practically completed and an additional 60 days should be sufficient to bring the manuscript to completion.

MARKETING AND TRANSPORTATION RESEARCH

The Division of Marketing and Transportation Research is the center of the Bureau's efforts to cooperate with other agencies in analyzing and planning to meet numerous marketing, processing, and transportation problems that are arising as a result of the war. For several years, the Division has carried on research on such problems as the efficiency of our market structure, the examination of food distribution programs, and the adequacy of terminal marketing facilities. Accordingly, the Division is prepared to gear in with the Department's efforts to develop a distribution program that will meet the war situation.

I. WAR ACTIVITIES

A. Development of Marketing and Processing Facilities

1. Consideration of distribution problems in connection with establishment of national production goals

In cooperation with other agencies of the Department, a study will be made of distribution problems involved in attaining production goals for 1942 and 1943. Serving as members of various commodity committees, individuals of the Division will attempt to anticipate the adequacy of the marketing, processing, and transportation facilities available for handling the increased production proposed in various commodity fields.

2. Development of marketing, processing, and transportation facilities required to achieve production goals

In cooperation with the Division of Farm Management and Costs, the Division of State and Local Planning, and other agencies in the Department, the Division will analyze distribution problems raised by the production program in various regions and areas, and will aid in making recommendations for obtaining additional marketing, processing, or transportation facilities needed to obtain desired production. This work will involve consideration of such problems as:

a. Enlargement or readjustment of physical facilities that will be required for handling and processing the increased volume.

b. Adjustments in the distribution system that may be needed to move the added production without undue surpluses and gluts in certain markets or regions.

c. Changes or substitutions that should be made in methods of marketing and processing to overcome shortages of strategic war materials such as tin. The Division will concentrate its efforts on specific problems in various areas, such as the lack of crushing facilities in the case of soybeans, or the lack of cheese factories in the case of the milk industry in Wisconsin.

B. Wartime Problems of Distribution of Food and Other Farm Products

At present it is impossible to determine to what extent special controls of the distribution of foods and other farm products will be necessary in the present war emergency in the United States, but later special steps may have to be taken to insure that all families obtain at least the minimum quantities needed to protect health. Preliminary thought should be given to this problem and broad plans should be developed in advance to meet this possible situation. At the present time, the Division will undertake to work out broad proposals in this field so that when the occasion arises for a more detailed consideration of this problem, preliminary analysis will be available. Work in this field will be of two major types during the next six months:

1. Study of possible emergency distribution schemes

In examining these schemes, special attention will be given to proposals for insuring that the needs of low-income people will be adequately met, along with any wartime program for control of food distribution. In carrying on this work, the Division will work in cooperation with the Surplus Marketing Administration and the Office of Price Administration.

2. Accumulating reserves of agricultural products for war emergencies

The possibility that there will be no more imports of certain vital agricultural commodities now that the Nation is at war makes it imperative that the prospect of shortages of these commodities be determined, and the likelihood of accumulating reserves or developing substitutes be explored. In carrying on this work, the Division will work closely with the Surplus Marketing Administration and the Office of Foreign Agricultural Relations.

C. Marketing Costs and Charges

Moving products from farmers to consumers usually costs more than the farm production of these commodities, and requires nearly as much manpower as farm production. Reduction of marketing changes through reorganization or improved methods creates immediate benefits to farmers and consumers in terms of higher farm prices and lower retail prices. In any effort to increase the efficiency of the marketing system, it is necessary to determine the costs of specific marketing services so that points of inefficiency and high costs can be located. During the next six months, the Division will carry on the following studies in this field:

1. Price spreads between farmers and consumers for food, fiber and tobacco products

Analysis of price spreads consists of determining the charges of the various steps in distributing farm products, and of breaking down these gross charges into the costs for each stage in the process, including transportation, storage, processing, wholesaling, and retailing. Costs of these various steps in the distribution process also are broken down to show the importance of labor charges as compared with other charges.

2. Statistical analysis of wholesale and retail prices of farm products

During the next six months, the Division will make a study of the inter-relationships of a series of farm product prices at successive stages of marketing and of the internal structure of these series. Results will be used in determining time lags in marketing and in the price spread work outlined above.

3. Fair marketing margins under price control

Inasmuch as it is quite likely that future efforts to control prices of agricultural commodities will involve questions of controlling margins of marketing agencies, as a basis for modification of price or margin ceilings, the Division will develop basic material for determining margin ceilings as well as for appraising the fairness of existing margins in relation to costs. This work will be carried on cooperatively with the Office of Price Administration.

4. Reducing waste and spoilage losses of food processing and marketing

Annual physical waste and spoilage losses of food products in marketing operations reach huge volumes, especially for highly perishable fruits and vegetables. Elimination of even a part of these losses would make a substantial contribution to increasing food supplies for consumption and to assisting in attaining objectives of the production goals campaign. In cooperation with other government and trade agencies, the Division will make a general survey to determine the amount of wastage that can be avoided. Practices will be recommended for assembling, transporting, storing, processing, wholesaling, and retailing fruits and vegetables that will reduce waste and spoilage.

5. Production afforded by trade in futures

The Division will undertake to determine the usefulness of futures trade in marketing agricultural products by examining the hedge protection afforded by futures and the effects of futures trading on stability and level of prices and on costs of marketing.

D. Analysis of Adequacy of Transportation System under Wartime Conditions

The aim of the Division in carrying on work in the field of transportation is to study problems created by the war. The following work has been outlined for the next six months:

1. Transportation and storage problem of agriculture during the war period

Transportation and storage facilities of the Nation probably will be severely strained in the period ahead. It is important, therefore, to determine whether adequate facilities will be available to agriculture to move agricultural commodities from farm areas to points of consumption. This work represents an extension of an earlier study recently published, entitled "Agriculture's Requirements for Transportation in 1941".

2. Effects of war production, priorities, and labor shortage upon adequacy of carrying capacity of railroads, ships, and trucks

In the period ahead, rapid expansion of the production of military supplies will necessitate limited expansion of transportation facilities. The Division will attempt to appraise the probable effects of a wartime industrial program on the transportation system and particular attention will be paid to the probable effects on the transportation of agricultural commodities. For example, an attempt will be made to appraise the effect on farmers' transportation needs of stopping sales of new trucks to farmers. At the same time, effects on the farmer of priority ratings on manufacture of truck replacement parts will be appraised.

3. Methods of increasing efficiency of utilization of existing transportation and storage facilities to lessen drain upon strategic defense resources

During the next six months, the Division will attempt to develop recommendations as to ways and means of using existing transportation facilities as efficiently and economically as possible to reduce threatened shortages to a minimum. The study includes consideration of each of the following modes of transportation:

a. Operations of railroads in war

Government operation of railroads, as in the last war, may be a possibility in this war, or some new device for organizing the use of rail facilities may be adopted. During the next six months, this Division will begin the study of ways and means of increasing the efficient use of rail facilities. Special attention will be paid to the manner in which the transportation of agricultural commodities by railroads may be done more efficiently.

b. War merchant marine and trade situation

One of the most urgent problems resulting from the war is that of obtaining shipping space for strategic imports. Results of the necessary shifting of routes and reallocations of vessel space are of considerable importance. Undoubtedly, many agricultural imports will be curtailed to release space for war materials. This study will show the extent to which agricultural imports have been affected since the beginning of the war in Europe, and the probable future curtailment that will be necessary now that the United States has declared war. To make this analysis, demand for ocean shipping by other imported commodities must be studied. Complementary to this determination is the question whether or not there is going to be a shortage of merchant vessels. The outlook changes rapidly in response to war events, and it is necessary to keep current to be in a position to advise on future shipping demand and supply trends.

c. Adjustments in the regulation of truck and farm products and methods of increasing efficiency of utilization of farm trucks

During the period ahead, it is quite likely that the government will find it necessary to utilize more effectively the trucking facilities of the Nation. As such steps are taken, agricultural interests will be vitally affected, inasmuch as a considerable amount of agricultural commodities are transported by truck. During the next six months, the Division plans to make a preliminary study of the major problems in this field and to begin to develop general recommendations.

II. POST-WAR PLANNING ACTIVITIES

The distribution system of the Nation is being rapidly shaped to meet war needs. Adjustments from the resulting situation at the end of the war will have to be made during the period of transition from a wartime to a peacetime economy. Accordingly, the Division of Marketing and Transportation Research has a major role to play in post-war planning. Because of the pressure of immediate war problems, however, the Division will have to restrict its post-war planning activities during the next six months to the following activities:

A. Planning Marketing Facilities as Part of Post-War Public Works Program

Construction of modern wholesale marketing facilities in large cities (wholesale terminal markets), in secondary consuming markets, and at country points (concentration markets), will offer an extensive and worthwhile field for public works construction in the post-war period. As a preliminary step to a construction program of this kind, it will be necessary to make a comprehensive study of the need for modern wholesale physical marketing facilities, together with the cost of providing these facilities, in terminal market cities, secondary consuming markets, and country marketing points.

B. Development of Post-War Surplus Food Disposal Programs

1. Improvement and coordination of surplus disposal programs

The Division has played an important part for some time in helping to plan the development of the Food Stamp Program and other methods of agricultural surplus disposal. In the post-war period, there probably will be continued if not increased interest in programs for making food and clothing more widely available to low-income groups. To be prepared to meet the needs of Congress and action agencies, the Division will attempt to develop broad recommendations growing out of the work it has been and is doing. In carrying on this work, the Division will cooperate with the Surplus Marketing Administration.

III. SERVICE AND RESEARCH MAINTENANCE

A. Fact Finding and Reporting Activities

1. Price-spread series

   Maintaining and revising price-spread series for major agricultural commodities such as: cotton, tobacco, beef, pork, hens, eggs, white bread, etc.

2. Rail rate indexes on agricultural products

   Maintaining series now available for wheat, cotton, livestock, and fresh fruits and vegetables for the years 1913 to 1940.

B. Projects Extensively Underway to be Completed

1. Marketing Study, Columbia Basin Joint Investigations
2. Marketing System for Livestock in 14 Corn Belt States
3. Marketing Naval Stores
4. Analysis of Fruit and Vegetable Market Situation in Kansas City
5. Rail Rates on Livestock and Meats
6. The Process of Making Rail Rates
7. Egg Laws and Regulations in the United States
8. Surplus Disposal Programs for Cotton
9. Low-Cost Milk Programs

PROGRAM SURVEYS

The function of the Division of Program Surveys is to determine the experience of farm people with the various government programs, and to study the way farmers look at national and international developments. For some time now, the work of this Division has been devoted entirely to determining the obstacles to the full participation of agriculture in the Nation's war effort. The work in this field will continue to be of this character and will be concerned with the major problems facing the Department of Agriculture during the present war emergency. As usual, confidential statements of findings will be distributed among the administrators of the Department's program so that they will be in a position so to direct their work that their program will achieve maximum effectiveness. This work will be particularly valuable because it will serve to aid the Department of Agriculture in promoting the maximum participation of the farm population in the Nation's war effort.

The work of this Division during the next six months will be carried on almost entirely in cooperation with the Division of Farm Population and Rural Welfare. The facilities of the two divisions will be used in making survey studies in carefully selected areas throughout the Nation. The precise character of the subject matter of these surveys must be developed as the war program takes shape.

PROGRAM STUDY AND DISCUSSION

The function of this Division in the Bureau's war efforts and post-war planning activities is to help rural people understand all phases of the war program affecting them. This work is carried on through meetings with independent groups and through cooperation with agricultural planning committees and other government agencies. At the same time, the Division helps field employees of the Department to appreciate the contributions each can make to winning the war.

I. WAR ACTIVITIES

Knowing that both the understanding and cooperation of rural people in a national war effort are obtained in part by means of free discussion of public issues, the Division of Program Study and Discussion is determined to aid this country's war efforts by helping our rural people understand all phases of the war program affecting them.

At the same time, this Division will aid field employees of the Department to appreciate their individual contributions to winning the war. Again, this Division can apply its techniques of study and discussion to the work of Defense Boards, Civilian Defense groups, and State and local agricultural planning groups, by enabling the Department field workers to understand their jobs.

A. Discussion Program:

1. Work with State and Local Planning Committees

The Division is cooperating closely with State and local committees in sponsoring discussion groups, and in timing activities so that the talking over of national issues contributes to the planning program.

2. Work with Independent Groups

Because the individual program discussion groups among independent organizations in many cases are dependent upon the particular interests of these groups, it is not always possible to outline precisely in advance what particular meetings will discuss. Nevertheless, the speakers, drawn in part from the staff of the Department, will be prepared to provide information on phases of the war effort that directly interest and concern their hearers.

Among the groups with which this Division works are: the Grange, Farm Bureau, Farmers' Union, Farm Cooperatives, American Country Life Association, various State Rural Life Conferences, including the Catholic Rural Life Conferences, etc. Primary emphasis in the meetings will be to prepare individuals to lead similar meetings in their localities. An average of 250 individuals come out of such meetings ready to carry on this work in their own communities.

3. Work with Department Employees

Where school and discussion groups are mainly composed of Department employees, the way is clear and well defined. Here this

Division can help each individual employee, regardless of his geographical separation from Washington, to become conscious of his responsibilities and duties to his government, to the Department, and to the people he serves. The employees of the Department should bear a great load of the leadership in their communities, and the fulfillment of this responsibility can be stimulated by this Division's program.

B. Informational Activities:

1. Farm Opinion on Department Policies

In addition to sponsoring discussion groups, the Division gathers information regarding the thinking of rural people on major national programs and issues. This information is transmitted to the Chief for use in determining national policies.

2. Staff Service to Other Agencies

This Division renders services to agencies both inside and outside the Department in several capacities: as consultant on publications designed to reach rural people--both as to content and distribution; as reporter of reactions and interests of rural groups in these publications; as a direct disseminator of any facts and information that agencies want rural people to know.

II. POST-WAR ACTIVITIES

The consideration of post-war problems cannot be divorced from a consideration of war programs. Nevertheless, in its discussion work, the Division will make a deliberate effort to raise major post-war problems, particularly those that have an important bearing upon farmer participation in the war effort.

PROGRAM ANALYSIS AND DEVELOPMENT

The main function of this Division in the Bureau's program is to take the leadership in developing and in continually reviewing wartime production goals for agricultural commodities in cooperation with other agencies in the Department and with other divisions in the Bureau. The Division will continue, as previously, to meet the wide variety of requests for information and advice that are passed on to it by the Offices of the Secretary and the Chief of the Bureau. In addition, the Bureau looks to this Division for information regarding the programs and policies of other agencies in the Department as well as war agencies.

I. WAR PROGRAM

The Division of Program Analysis and Development will carry on the following lines of work that will make direct contribution to the Nation's war effort:

A. Production Goals for Agriculture

The Division has been requested to take the leadership in developing and continuously reviewing wartime production goals for agricultural commodities. Establishment of these production goals is a Department-wide effort, and the Division cooperates with representatives of other agencies in the Department and other Divisions in the Bureau. Establishment of these production goals for agriculture requires that the Department and the Division:

1. Analyze nutritional requirements of the United States population, compile available information pertaining to the supply of food and other farm products to meet these needs, and convert estimates of needed quantities of farm products into terms ordinarily reported in estimating the crop and livestock production.

2. Estimate probable exports under the lend-lease program or through commercial channels, and sources of supplies from outside the boundaries of the United States.

3. Determine availability of materials and supplies required for production, and measure potential national production.

4. Bring together available information regarding the influences of particular practices of production on crop yields and livestock production to indicate possible sources of increases in efficiency.

5. Calculate the acreage of each crop and the number of each class of livestock needed to produce the required volume of supplies.

6. Determine availability of marketing, processing, packaging, and transportation facilities in relation to these production goals.

The function of this Division in this effort is to pull together available materials and to assist in preparing recommendations regarding specific commodities.

B. Aiding in the Achievement of Production Goals

The personnel of the Division is being called upon frequently to participate in formulating programs to insure increased production of needed agricultural commodities. Considerable work is being done in insuring maximum supplies of fertilizer and in developing programs for rationing fertilizer as shortages develop. This work was done at the request of an Interbureau Coordinating Committee. Considerable work also requested by an Interbureau Coordinating Committee, is being done on the problem of increasing the production of turpentine and rosin. In a similar fashion, the Division will continue to do additional work in this field whenever it is called upon. In addition, the Division will directly contribute by continuing its efforts to make individual farm plans the basis of increasing agricultural production. This work is being carried on cooperatively with the Division of Farm Management and Costs.

C. The Division has been requested to take the leadership in the Bureau's work with agencies that are establishing war plants in rural areas. This work consists of providing information to the Office of Agricultural Defense Relations, the Plant Site Board of the Office of Production Management, and the War Department, regarding the availability of labor at various rural sites, and regarding the effect of a proposed plant on the local agricultural economy. The second phase of this work has been that of cooperating in the task of making the required land available to the War Department by aiding in moving rural people living on the site needed to other localities.

D. During the year, the Division was asked to cooperate with the heads of other Divisions and with the Office of the Chief in an effort to formulate a program for the Bureau of Agricultural Economics to make its maximum contribution to winning the war and to meeting significant problems of the immediate post-war period. This effort has involved appraisal of present activities of the Bureau of Agricultural Economics and an exploration of possibilities of redirecting old lines of work, tackling new problems, and curtailing projects that have no immediate significance. This work will be continued during the coming six months, with special emphasis placed upon the study of the success with which the new program has been carried out and the value of the work completed.

E. Miscellaneous Service

The Division is a service unit that stands ready to aid in meeting any requests of the Office of the Chief or of other government agencies. Consequently, considerable work of a direct war character is being done in a wide variety of fields. The Division participated in the development of rural fire protection programs, as requested by the Office of Civilian Defense; in the examination of the problem of producing alcohol from agricultural commodities, as requested by the Office of Production Management; in the study of the export of United States cotton to Canada; and in the numerous other tasks assigned to the Division by the Chief. Throughout the coming months, the number of these requests undoubtedly will be increased. The Division can make significant contribution to the war effort by fulfilling them promptly.

II. POST-DEFENSE PLANNING

Facilities are not available for any substantial participation in the post-defense planning work of the Bureau. Individual members of the Division will continue to serve on committees engaged in this work and, insofar as possible, service them.

III. MAINTENANCE WORK

A. The Division has the function of keeping informed as to the programs of the other agencies of the Department, and, at the same time, of taking the leadership in servicing these agencies. During the next six months, special emphasis will be given to the task of following the activities of defense agencies in cooperation with the Office of Agricultural Defense Relations. The purpose of this work is to be available constantly to aid and advise the Chief Program Analysts and the Chief of the Bureau in carrying out any work that involves these agencies or their activities. In this connection, it should be noted also that the Division will continue to make contribution to the development of the program of the Farm Security Administration.

STATE AND LOCAL PLANNING

The Division of State and Local Planning provides leadership in the Bureau's agricultural planning activities undertaken in the field in cooperation with action agencies, Land Grant Colleges, U.S.D.A. Defense Boards, and other Department and State Agencies. Planning committees at State, county and community levels form a two-way channel through which national goals and objectives are brought to the attention of farm people, and through which the knowledge and experience of farm people can be used by the Department in developing its wartime plans and programs.

In carrying out its wartime responsibilities, the Department of Agriculture needs to utilize the knowledge and experience of farm people, as reflected in plans and proposals formulated by agricultural planning committees. At the same time, these planning committees--State, county, and community--act to adapt national goals and objectives to particular conditions of each rural community and individual operating unit.

During the next six months, the Division will direct its primary efforts toward attempting to complete the planning organization so that the wartime planning job can be done for the Bureau and Department. This work will involve extension of the agricultural planning organization to serve all rural counties and communities. It also will involve delineating community lines and sponsoring the election of planning committee members by community organizations and neighborhoods. To help the local agricultural planning committees in their work, the Division will cooperate in bringing to these local groups the technical services of the Bureau of Agricultural Economics.

At the same time, the Division will assist the Bureau in developing an integrated program to serve war and post-war needs, with special attention to the programming of field activities. This program has been determined for the immediate future and is summarized lated in this statement.

The Division will serve as a staff planning organization for the Bureau in carrying on its appropriate function. The Division will aid in preparing program outlines, work plans, planning documents and instructions relating to activities of the Bureau and Department. With the assistance of other Divisions in the Bureau, the plans and recommendations made by regional, State and local planning committees with regard to the fields outlined below will be reviewed and transmitted to other agencies in the Department.

The primary objective of the Division's activities, now that a national program has been set up by the Bureau, is to help carry out this program in the field. Accordingly, the Division expects to devote most of its time during the war period to those activities that the Bureau and the Department believe to be most necessary in the national war effort. The Division particularly will provide collaboration between the Department and agricultural planning committees and between the Bureau and the U.S.D.A. Defense Boards.

I. War Activities

A. Aid in Agricultural Production Goals Program

The Division will help the Bureau and Department set up State and local production goals for next year and will help to formulate plans for bringing about agricultural adjustments necessary to meet those goals. The Division also will encourage the development of plans for overcoming or minimizing obstacles to the production program, such as shortages of farm labor, farm machinery and equipment, fertilizers, insecticides and processing and transportation facilities. Assistance will be given in promoting machinery repair schools, educational programs, and other activities designed to attain needed agricultural production. Attention also will be given to methods of securing maximum use of existing agricultural production and marketing facilities. At the same time the Division will bring together information needed to guide farmers in the widest use of credit during the emergency.

B. Farm Labor Supply

Farm labor subcommittees of State and local agricultural planning committees are continuing to make frequent appraisals of farm labor conditions, and are developing plans not only for assisting farmers to meet their production requirements but also for making surplus rural labor available for other war needs. As measures are adopted to meet local labor requirements it will be necessary to determine the effectiveness of these efforts.

This work involves collaboration by the State BAE representatives with U. S. and State Employment Services, the Office of Agricultural Defense Relations, the Office of Production Management, the Works Progress Administration, and the CCC. In addition, cooperative relationships will be maintained with educational institutions and with the National Youth Administration to discuss and plan methods of training agricultural and industrial workers.

C. Defense Plants in Rural Areas

In collaboration with other Divisions in the Bureau and with other Government agencies, the Division of State and Local Planning provides aid to county planning committees in rural areas where defense industries, artillery ranges, cantonments, airfields, and other military activities directly affect rural people. This Division assists in some degree in activities connected with two major phases of this work, which are: expediting defense plant establishment by developing plans for rapid and equitable acquisition of land and for the relocation of dispossessed farm families; and, ascertaining the availability, training, and aptitudes of rural people in the vicinity, so that arrangements can be made for employing as many as possible of these local people in the war production plants.

D. Service to U.S.D.A. Defense Boards and Civilian Defense Organizations

State BAE Representatives serve as secretaries of the State U.S.D.A. Defense Boards in 18 States. In many States, the BAE Representatives have been requested by the Board chairman to assume a major responsibility in helping conduct the day-to-day affairs of the Board, as well as to participate actively in formal Board meetings. During the next six months State BAE Representatives will devote considerable time to furthering the work of the Defense Boards and in maintaining effective collaboration between these Boards, agricultural planning committees, and Civilian Defense Organizations.

E. Obtaining Farmers' War Participation

Agricultural agencies must help to insure active and sympathetic participation of farm people in public affairs during the war period. To do this requires that farm groups appreciate and understand the issues at stake which affect their welfare and that of the nation; the significance of agriculture's contribution to winning the war; and, finally, the projected plans of their government for the equitable protection of the agricultural industry in the post-war period. From past experience it is evident that one way to get these results is to give farm people an opportunity to engage in the planning and execution of programs necessary to win the war by utilizing as fully as possible the social machinery, institutions, and agencies with which farm people are acquainted and through which they normally function in public and group affairs. Accordingly, the Division will utilize every available opportunity for counseling with and giving assistance to established farm organizations, agencies, and institutions so that our whole rural population may participate to a maximum degree in a united war effort.

F. National Defense Research and Records Assistance Project

The staff of the Division will be engaged in the correlation of subprojects within each State of the nation-wide WPA defense project for which the Department is cooperating sponsor. The purpose is to provide assistance in making information available to national defense agencies. A member of the Washington staff is devoting considerable time to this effort and State BAE Representatives serve in liaison capacity between the various Bureaus and the WPA.

II. Post-War Planning Activities

As planning activities to meet the war needs become more definitely established and advanced, an increasing amount of time and effort will be given to post-war planning.

Two of the regional BAE Representatives are chairmen of the U.S.D.A. Regional Post-War Planning Committees; all others are members of regional committees. All State BAE Representatives have major responsibilities for post-war planning activities at State and county levels, and members of the Washington staff are serving on the Interbureau Coordinating Committees.

A. Planning for Rural Public Works, Facilities, and Services

1. Work outlines and procedure--The staff will participate in the preparation of work outlines and procedural materials suitable for use by planning groups to guide in the development of proposals for rural public works, services, and facilities.

2. Information materials--The staff will assist in bringing to the attention of planning groups materials dealing with post-war problems prepared for discussion by rural people.

3. Shelf of project proposals--Regional, State, and county committees will be encouraged and assisted in developing specific proposals for a program of public works adapted to area needs and interests. Washington, regional, and State personnel of the Field Planning Staff will have responsibilities for assisting in this work.

4. Other post-war services and facilities--Activities and responsibilities of the staff will undoubtedly increase as time goes on. Probable new services to be started in an experimental way include Rural Medical Care Programs, post-war housing and sanitation programs, nutrition, vocational training, etc.

B. Readjustments in Production and Distribution

Planning to meet the national production goals for the years immediately following the close of the war involves consideration of the probable long-time effects of the adjustments required to meet the wartime goals as they are established from year to year. Long-time factors that can be determined or predicted at this time must be taken into account and based upon assumptions as to the probable duration of the war, national plans for food distribution to low-income groups, international trade agreements, future plans for providing food to impoverished foreign countries, and other aspects of national policy that cannot be established with a high degree of certainty until the war draws to a close. Planning committees will be encouraged, on the basis of information available, to translate these assumptions over a period of time into tentative patterns of agricultural adjustment that appear to be most practical for the various farming areas. Areas severely maladjusted as a result of war efforts will require special consideration by planning groups.

III. Maintenance Activities

Because State and local agricultural planning committees necessarily have local interests that require attention separately from national issues, this Division will provide a small part of its staff to aid these local groups in formulating plans of this nature.

ECONOMIC INFORMATION

Chief function of the Division of Economic Information is to serve all Divisions in one of the Bureau's primary purposes -- that of preparing and disseminating information needed in the war effort by farmers and the general public. This Division is in some cases the initiator, and in all cases the clearing house of information released by the Bureau.

Two factors that control the work of this Division need to be mentioned as a part of the framework within which the specific program outlined below has been made up.

1. Some members of the Division need to be available to those agencies outside the Bureau that have little staff and are designed to draw on the staffs of existing agencies. For example, two members of the Division have been made available, up to half of their time, for work as a part of the Department staff on the Food-for-Freedom Campaign, and another member has devoted considerable time to the preparation of radio material for short wave broadcasts by the Coordinator of Information. It may be anticipated that such calls will increase as the war effort is intensified.

2. Roughly, 80 percent of the time of the Division is taken up with service work that automatically reflects the work of the Bureau in general. Such units comprise the editing, correspondence, distribution, graphics, and processing work. In addition, some of the writing and advisory work also are in this category.

Below is an outline of the specific projects that the Division will undertake for the rest of the fiscal year and which it has already undertaken, insofar as it can on its own initiative.

(a) Publications: Two new groups of publications are in preparation. One, an adaptation of the BAE-Extension picture flier series started last year, would be devoted to popularized discussions of how to achieve the increased production the Department is trying to obtain. The first of these already has gone forward to the Printing Office with the approval of the Department defense information people. It deals with ways of feeding and kinds of feed for dairy cattle that are best calculated to increase milk production this year. Others of this character will follow. The second group of publications, which resemble the county planning leaflets series, would be more topical in nature and aimed at acquainting farmers with broader economic elements involved in the war effort.

The first of these is called, tentatively, "Farm Parity and the War." It has been prepared in draft form for circulation within the Bureau. Approval of this group in general is still pending before the Department on Publications.

In general, the Division is attempting to influence all publications in the direction of emphasis on immediate war objectives, and secondarily on post-war objectives, particularly as the latter contribute to public confidence at present.

Graphic summaries. -- We propose to issue graphic summaries based on the 1940 census material as in the past, except that we hope to rearrange the content so as to make the summaries more useful in the current situation.

In addition, the Division will proceed with the preparation of the post-war materials suggested in the summary of post-war activities. It appears likely that Bureau material of this nature will be distinct from material prepared by the Interbureau Committee on post-war programs, and that the details for issuance will have to be worked out in close collaboration with the Committee.

The Division during the next six months will take steps to consolidate the various leaflets series previously issued by the Bureau. The new series will be developed in consultation with the appropriate division.

(b) Periodicals: The Department already has requested a justification of each of the periodicals now being issued by the Bureau. The implication in this request is that those not essential to prosecution of the war will be dropped. Of the present Bureau periodicals, those that appear most likely to be abandoned are Farm Population and Rural Life Activities, Agricultural Finance Review, those of the commodity situation reports that can most easily be put on quarterly rather than a monthly basis, the quarterly report of credit conditions now being made to bankers, and, possibly, Inside BAE, and Land Policy Review.

The Agricultural Situation is an important vehicle in the campaign to increase production. Its uses in this connection are obvious. A request is now pending before the Office of Information for approval for printing 300,000 copies monthly of the full issue of this periodical, in place of the present 40,000 plus 260,000 separates of the commodity review section. The mailing list already has been adjusted to take it to defense boards and to all 14,000 AAA field people and cooperators, in addition to some 6,000 previously receiving it. Budgetary authorization already exists for printing the 300,000 copies of the full issue.

Land Policy Review. -- We have attempted to make this periodical more than ever useful in the fields of policy and opinion that it touches, and we are now engaged in assessing the ways in which it can be further revised to meet the present situation.

Inside BAE. -- It appears possible that a shortage of materials required for varityping and the prospective issuance of a Department house organ may make it necessary to drop this periodical. Again, however, it appears that the necessity for informing our field people through such a house organ will be so important in the war effort that it will be necessary to continue publication by mimeographing it.

(c) News, Radio and Related Matters: Special efforts are being exerted to send State BAE men suggested press material for adaptation by their State men or the extension editors working with the State men, and it appears likely that this kind of work will grow in importance as a part of the Food-for-Freedom Campaign. As the planning work begins to gear more directly into the war effort, this kind of work probably should be greatly extended. The same is true of the bi-monthly digests now begin issued by sixteen States. Accordingly we have volunteered to supply these and other States with covers made here that emphasize the war needs in the hope of further encouraging a close planning relationship to the war effort.

We also have sent to each State BAE representative a sample of a radio program series with the offer to prepare similar ones, preferably on a regional basis, for their use. It is anticipated that the responses will be such as to entail the devotion of considerable time to this work for the rest of the year. Naturally, such broadcasts would be directed primarily toward agriculture's effort to help win the war.

(d) Visual Material: Exhibits. -- The exhibits already built by the BAE have been made available in the Food-for-Freedom Campaign and are being used in the campaign. A considerable part of the time of one man has been made available to the Department's food-for-freedom staff in working on exhibits, and presumably will continue to be so available.

Sound slide films. -- Considerable time will need to be devoted in the next few months to insuring widest possible distribution of "Planning in Action" and "Fighting Farmers and Farmer Planners," the two most recently completed of these films. Production of new films will not be undertaken until distribution of these two is satisfactorily in progress, which will involve considerable work with farmer organizations and others. As soon as it is possible to do so, we propose to undertake sound slide films on commodity aspects of the increased production campaign and on regional adjustments required to promote that campaign.

Post-war planning movie. -- Although little time of the Division will be required to complete the post-war planning movie for which shooting has been finished, it should be mentioned because it may be necessary for a member of the staff to work with the Department and the Tolan Committee on its distribution in late January or February.

It will be noticed that all activities suggested above are related to the immediate war effort, with the exception of a few related to post-war activity. Even in the case of the latter, however, the primary emphasis is upon post-war planning as a contribution to present war efforts.

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